

Workstream: Career Mobility Plans

Career Mobility Workstream Kick-Off Meeting

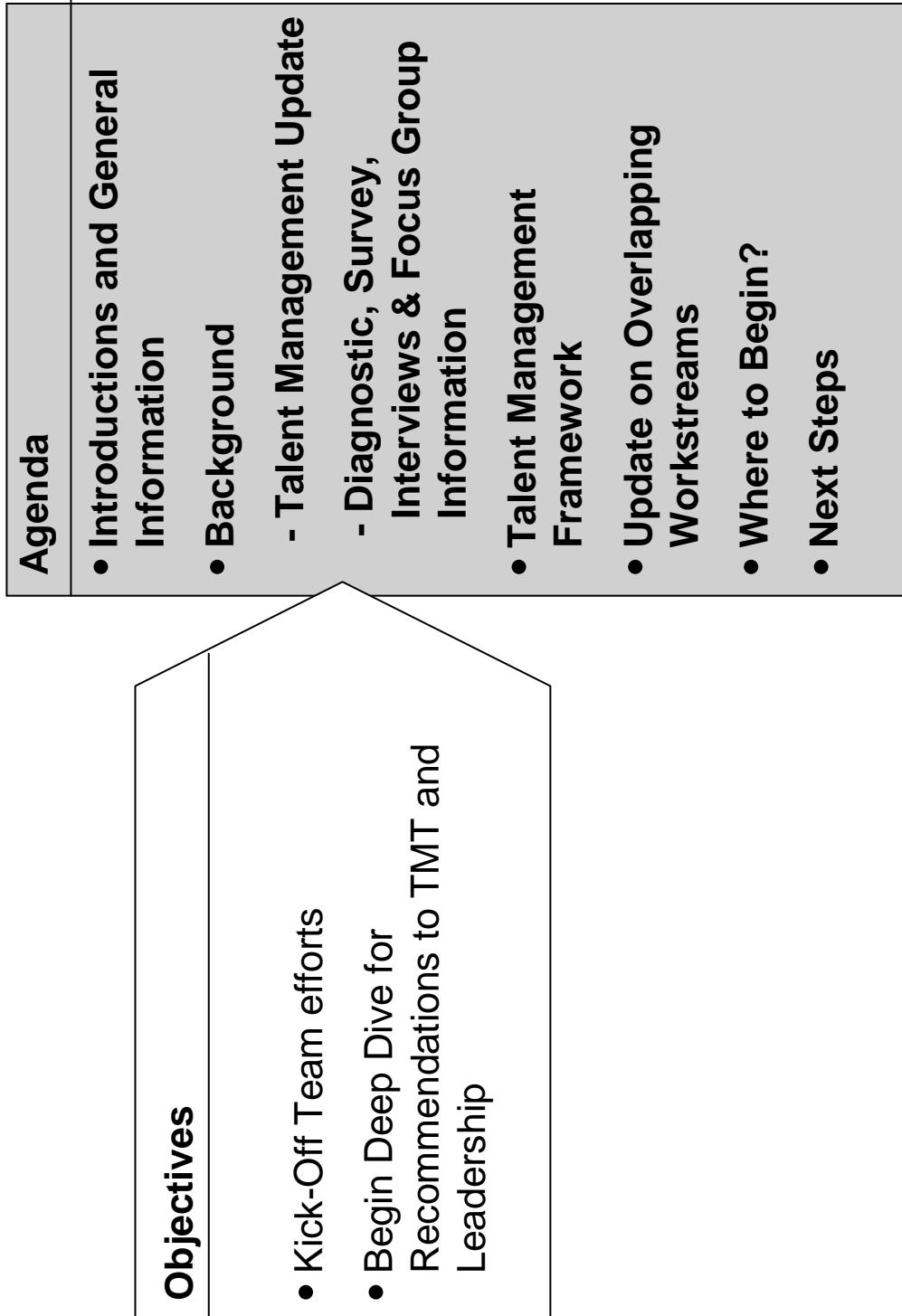


May 16, 2008

Team Members: Jon Nance, Calving Leggett, Rodger Rochelle, Wayne Hurder,
Wendi Johnson, Arthur Petteway, Barry Bridges, Stephanie King

TODAY'S DISCUSSION – Career Mobility Workstream

Working Draft



TALENT MANAGEMENT INITIATIVES

High-level Recommendation

- ① Define talent management strategy
 - Implement effective talent management strategy and communicate capability needs in organization through strategic workforce planning
- ② Revise hiring practices
 - Define alternatives to posting process
 - Streamline qualification and approval process to allow greater hiring manager discretion and revise posting process
- ③ Define and improve employee value proposition
 - Define and communicate new and existing attributes for attraction and retention of employees (e.g. career tracks, work/life balance, mobility)
 - Develop a HR strategic plan to get salaries closer to market
- ④ Revamp performance review
 - Develop performance review system and tool with two levers of evaluation to include metrics and developmental opportunities (leadership competencies for top managers) that is objective
 - Improve ability to manage rewards and consequences (non-financial rewards, performance pay, consequences for underperformance)
 - Train managers on performance feedback (positive and negative)
- ⑤ Revamp training program to strategically deploy resources
 - Continually assess organizational training needs based on vision, goals, and strategy
 - Deploy training resources based on org needs and most effective training formats for development segments
- ⑥ Develop employee career tracks
 - Develop system to define goals for role and career
 - Define technical, functional, and managerial career tracks
 - Develop assessment and dev't tools to enable process
- ⑦ Develop system for leadership planning
 - Define key leadership roles in organization that drive vision/goals
 - Develop system to identify high potential employees and build their capabilities to fill these positions (heavy mobility)
- ⑧ Employee Engagement Survey
 - Define an effective tool to gauge employee satisfaction and commitment

TALENT MANAGEMENT INITIATIVES

High-level Recommendation	
9	Recruitment Proposal Define effective recruitment tools to attract high performing employees
10	Improve Employee Orientation Improve on-boarding process for employees to effectively integrate in the workplace (new hires and internal transfers)
11	Institute Quick Wins Eliminate mandated vacancy rate, less time to obtain approval for travel, reduce approval steps for personnel packages, modify 10% rule, reinstate PE Bonus, implement clerical equity study, reinstate mentorship programs
12	Department-wide Mentorship Institute a culture of mentorship throughout the department. TEA Program and reinstating the Female Mentorship Program will begin January, 2008 with a plan to have the department-wide initiative implemented January, 2009.
13	Career Mobility Plans Implement formal and informal plans to facilitate the movement of employees to strengthen cross organizational knowledge to enhance employee performance and organizational readiness
Others:	
Knowledge Transfer Program - OSP Program under development	
Diversity of Thought - OSP Program under development	

RESULTS: KEY CHALLENGES IN TALENT MANAGEMENT

Working Draft

Strategy	Recruit and Onboard	Review and Recognize	Develop	Deploy and Rotate
The Talent Challenge <ul style="list-style-type: none"> • No formal process for talent planning 	<ul style="list-style-type: none"> • Unable to hire the best talent 	<ul style="list-style-type: none"> • Current performance system ineffective 	<ul style="list-style-type: none"> • No strategic employee dev't process 	<ul style="list-style-type: none"> • No strategy for talent to gain cross org knowledge
Drivers <ul style="list-style-type: none"> • Immediate needs addressed rather than long term • No process to plan for attrition or retirement • Don't know how many people to hire/when – based only on open positions • No freedom to adequately plan 	<ul style="list-style-type: none"> • Takes too long to hire someone • Can't go after best b/c of salary not competitive • Need to find other ways to go after talent (than posting) • Job postings need to be more attractive and explicit • Qualifications process problematic • Difficult to onboard with weak proposition 	<ul style="list-style-type: none"> • PM is – Cumbersome – Inconsistent – Inaccurate – Ineffective – Procedural rather than developmental – Key responsibilities irrelevant – subjective • No rewards for good performance and few consequences for underperformance 	<ul style="list-style-type: none"> • Training not relevant • Cumbersome • Inconsistent • Inaccurate • Ineffective • Procedural rather than developmental – Key responsibilities irrelevant – subjective • Travel restrictions problematic • Independent development not encouraged • Upper management unwilling to invest 	<ul style="list-style-type: none"> • No incentives to move • No career tracks • No formal mentoring • Cross-training informal • Long-term benefits of development not apparent • TEA job assignments not strategic • Posting process is a barrier to rotation • Geographic moves are a cultural issue

- Underlying Issues*
- People are not considered an asset or a priority
 - Managers not empowered to control resources (human and other)
 - Employees constrained by policies that don't encourage employee growth or organizational health
 - Decisions overly influenced by potential external impressions (public, press, legislative)

Source: Focus groups, interviews, McKinsey diagnostic

Fact Base for Developing a Career Mobility Workstream

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50% of survey responses indicated that NCDOT uses job rotation to broaden the experience and capabilities of employees

Only 8% of DOT managerial promotions were to other units within the department that leads to silo environment

In order to make our organization a great place to work consider mobility metric - % moved

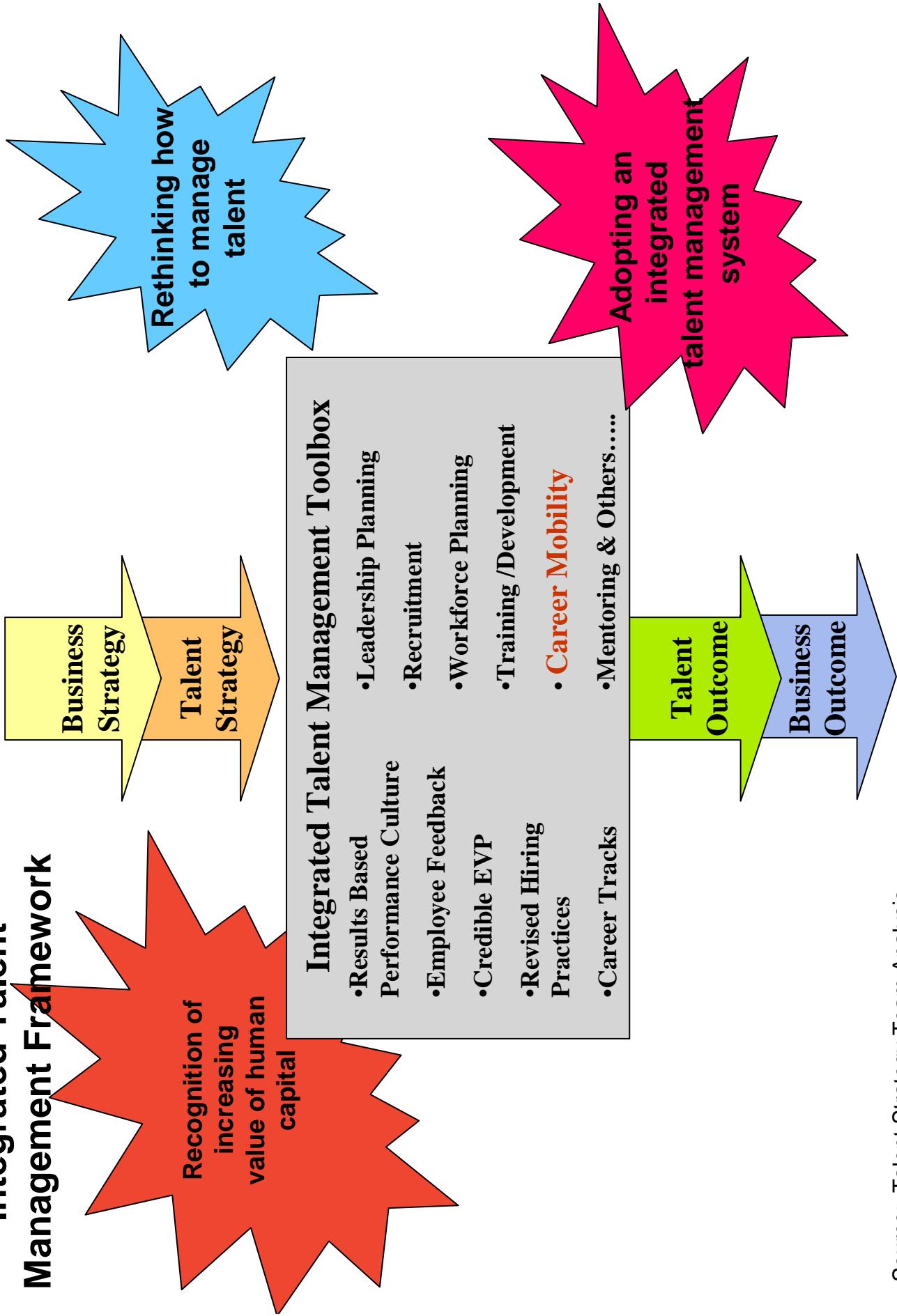
Current talent management system is failing to develop managers, drive leadership and mobility functions for most critical functions

Best practice in private sector requires mobility as a prerequisite for senior management.

Best practice indicates that managers are encouraged to transfer every three years.

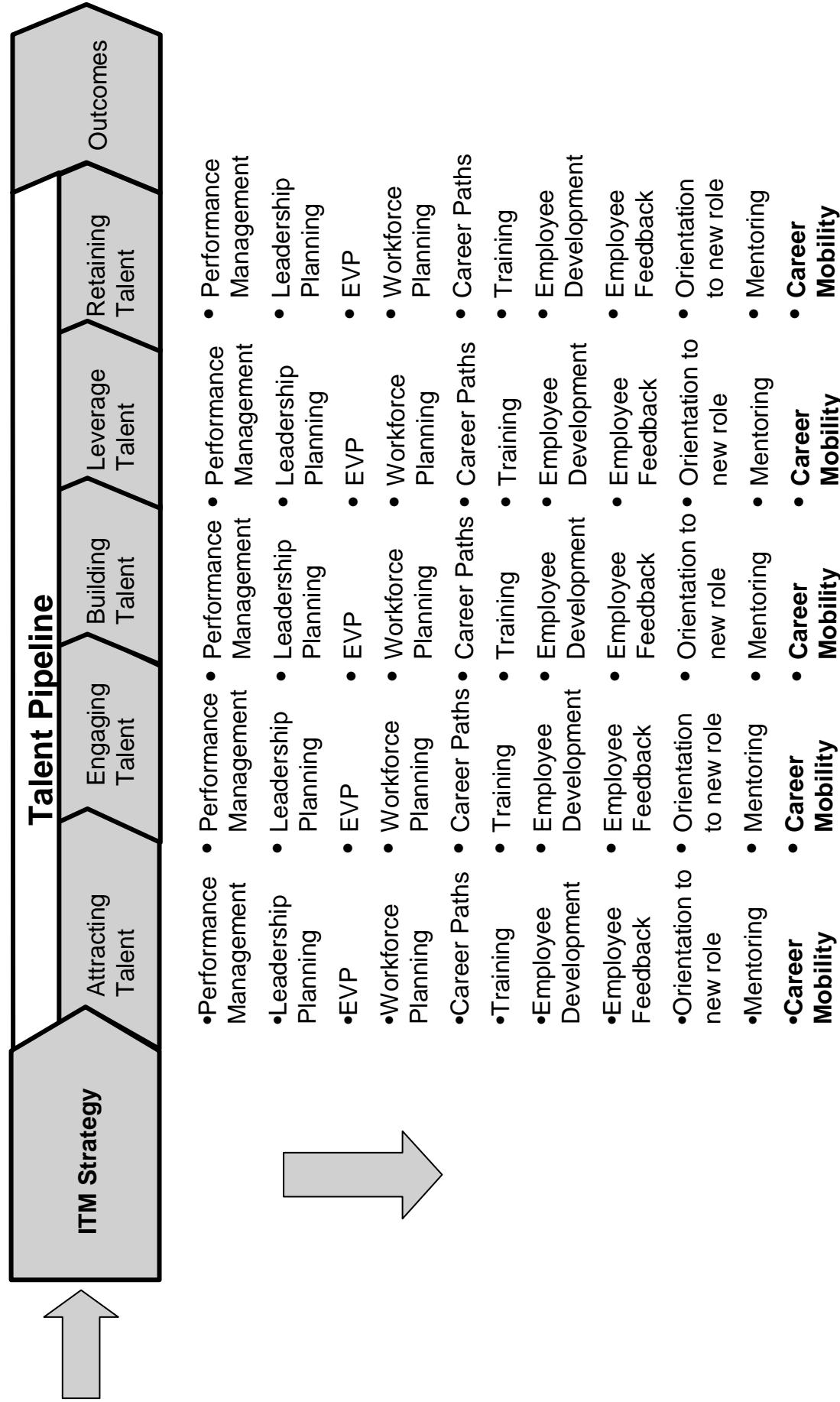
Integrated Talent Management Framework

Working Draft



Source: Talent Strategy Team Analysis

INTEGRATED TALENT MANAGEMENT FRAMEWORK - Conceptual Model to Reality



Update on Related Workstreams

- Career Tracks
- Leadership Planning
- Training

Where do we go from here?



Team Action Items

Formulate a Team Mission Statement in order to develop a plan to build mobility formally and informally throughout the organization

Deep dive on current practice

Identification of organizational gap

Fact Gathering – Read information from previous interviews and focus groups related to mobility and other relevant information related to mobility

Investigate possible solutions

Define scope of activity - what is doable now and formulate an action plan for longer term objectives

Determine if other information from interviews, focus groups, survey to identify issues and possible resolutions

Define metrics to illustrate success

Report to TMT and Leadership Team on Initial Findings and/or Recommendations

Workstream: Career Mobility Team

- Strategic Focus:** Identify strategies (formal and informal) to build career development opportunities, talent management and retention within the organization, and enhance career transition to better able NCDOT to effectively and efficiently utilize their human resources.
- Facilitate the movement of employees to ensure knowledgeable organizational readiness to meet 21st Century demands of the Department.
- Strengthen the leadership and management capabilities within the Department to gain cross organization knowledge
- Assist the transfer and use of new technologies and approaches to solving governmental problems
- Facilitating an effective means of involving state and local officials in developing and implementing a robust transportation system
- Provide program and developmental experience which will enhance the employee's performance in his or her career

Scope:

Current Practices:

Gap:

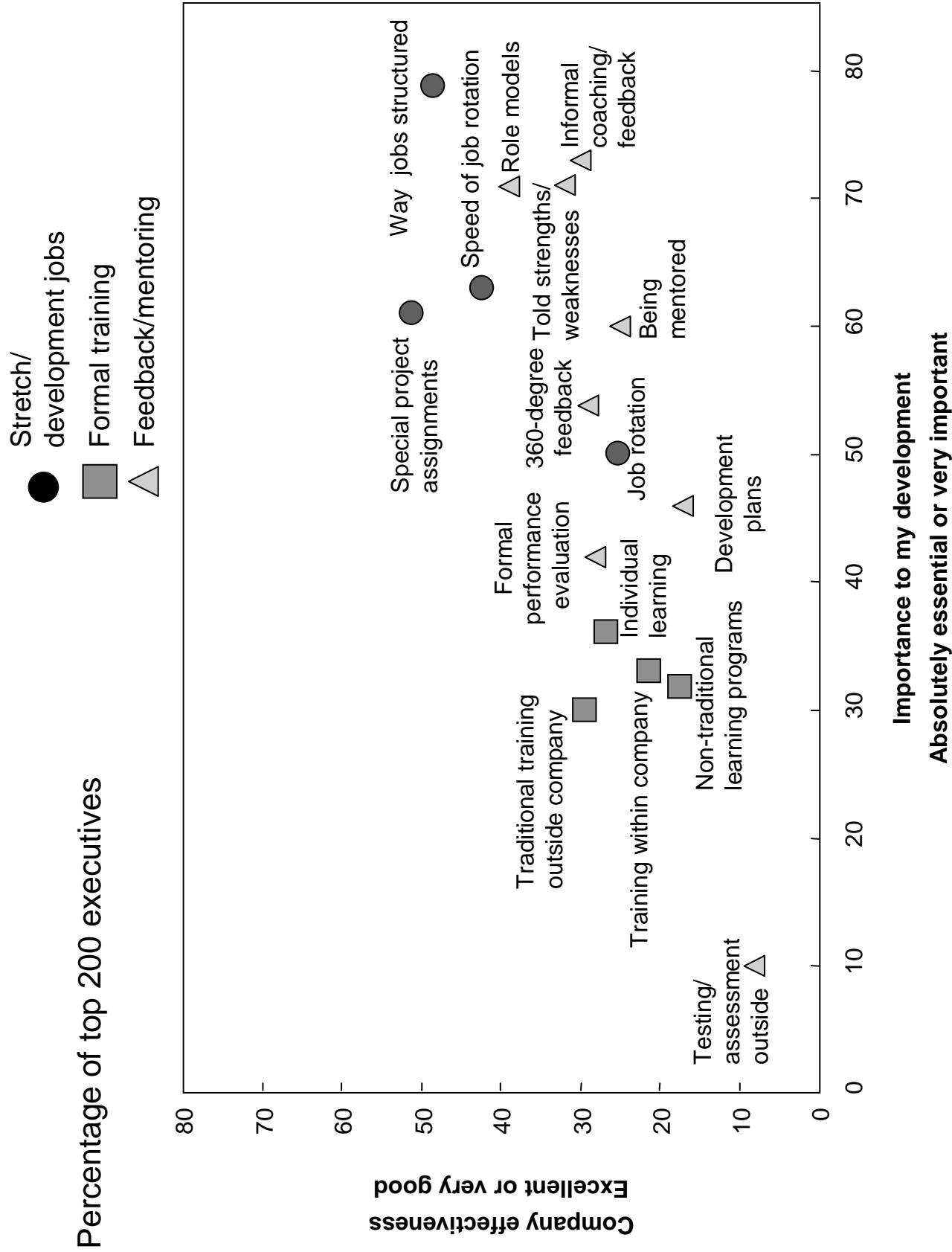
2008 Key Priorities:

Working Draft
Mission and Goals



Working Draft

HOW INDIVIDUALS BECOME MORE CAPABLE LEADERS



General Information from McKinsey Follows

In developing this process, however, it was necessary to remain aware that the public sector, compared with the private sector, faces a specific set of issues when addressing people issues

Working Draft

Description	Implication
• External political pressure	<ul style="list-style-type: none"> • Rapidly changing political priorities (e.g., to deal with a specific crisis) make it very difficult to set clear strategic priorities and manage them in a coherent/ systematic way
• Regular (two-year) job rotations	<ul style="list-style-type: none"> • Rotation system does not always lead to in-depth capability development in any one area. System is also open to abuse from those who know how to play it
• Clear and publicly disclosed diversity targets	<ul style="list-style-type: none"> • Meeting ethnic and sexual diversity targets is a clearly stated aim and needs to be factored into all people discussions. However, this cannot be achieved through positive discrimination
• Lack of clear financial targets/P&L responsibility	<ul style="list-style-type: none"> • Difficult to tie individual performance to business performance • Not clear which are “pivotal roles” in absence of budgetary responsibility
• Lack of accountability, especially at individual levels	<ul style="list-style-type: none"> • Performance management is embryonic, with little room to either reward top performers or discipline/fire poor performers
• A requirement to open most positions to a competitive selection process	<ul style="list-style-type: none"> • People cannot necessarily be moved to positions where managers feel they can be the most effective or where there is the greatest need. Positions have to be made open to applicants both within the department in question and, in some circumstances, across government
• Lack of horizontal integration of processes and information	<ul style="list-style-type: none"> • There are many people and HR processes currently in operation but no integration between them, leading to an inconsistent approach and duplication of effort

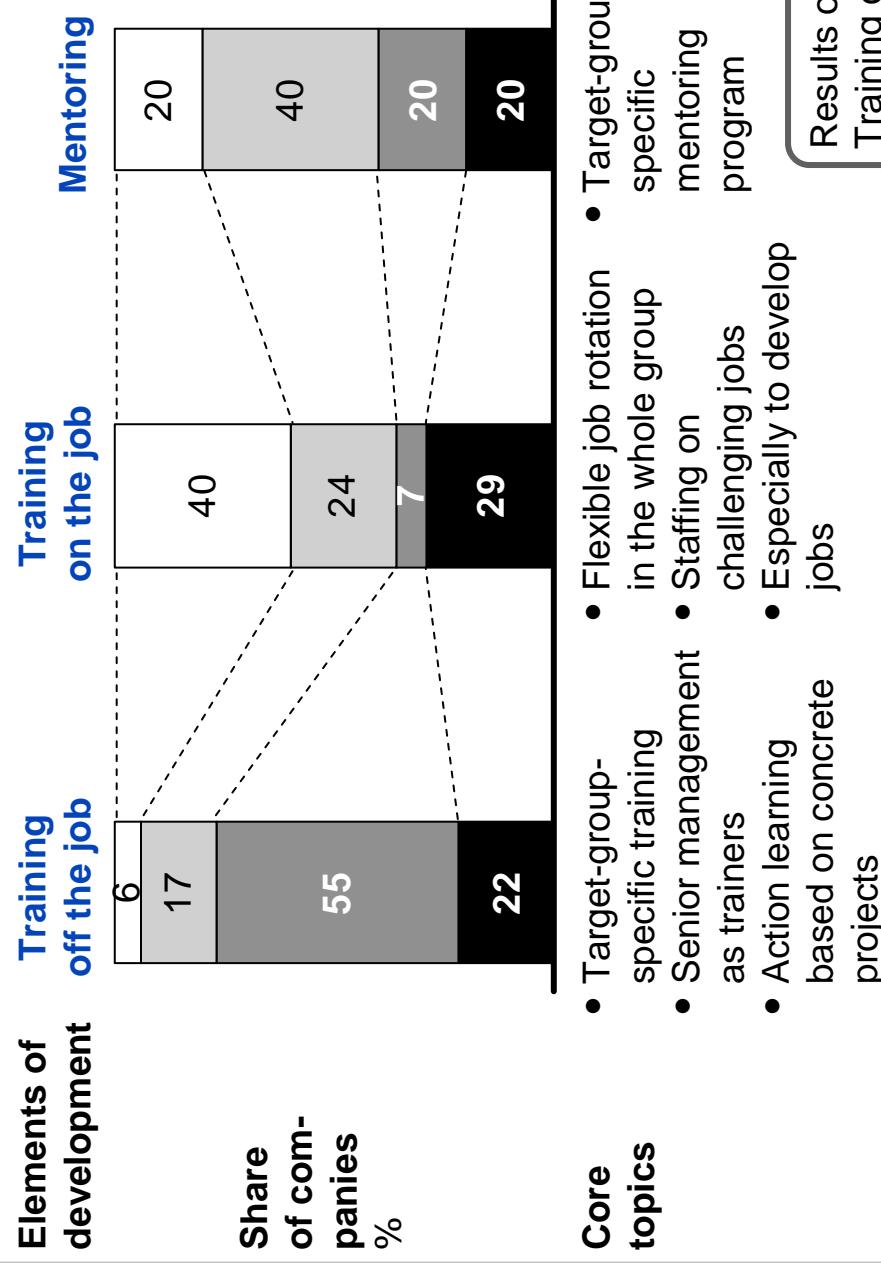


Training on the job and mentoring should be pushed

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- Not available
- Partly available
- Process/tool established
- Mature
- Rigorously/intensively applied

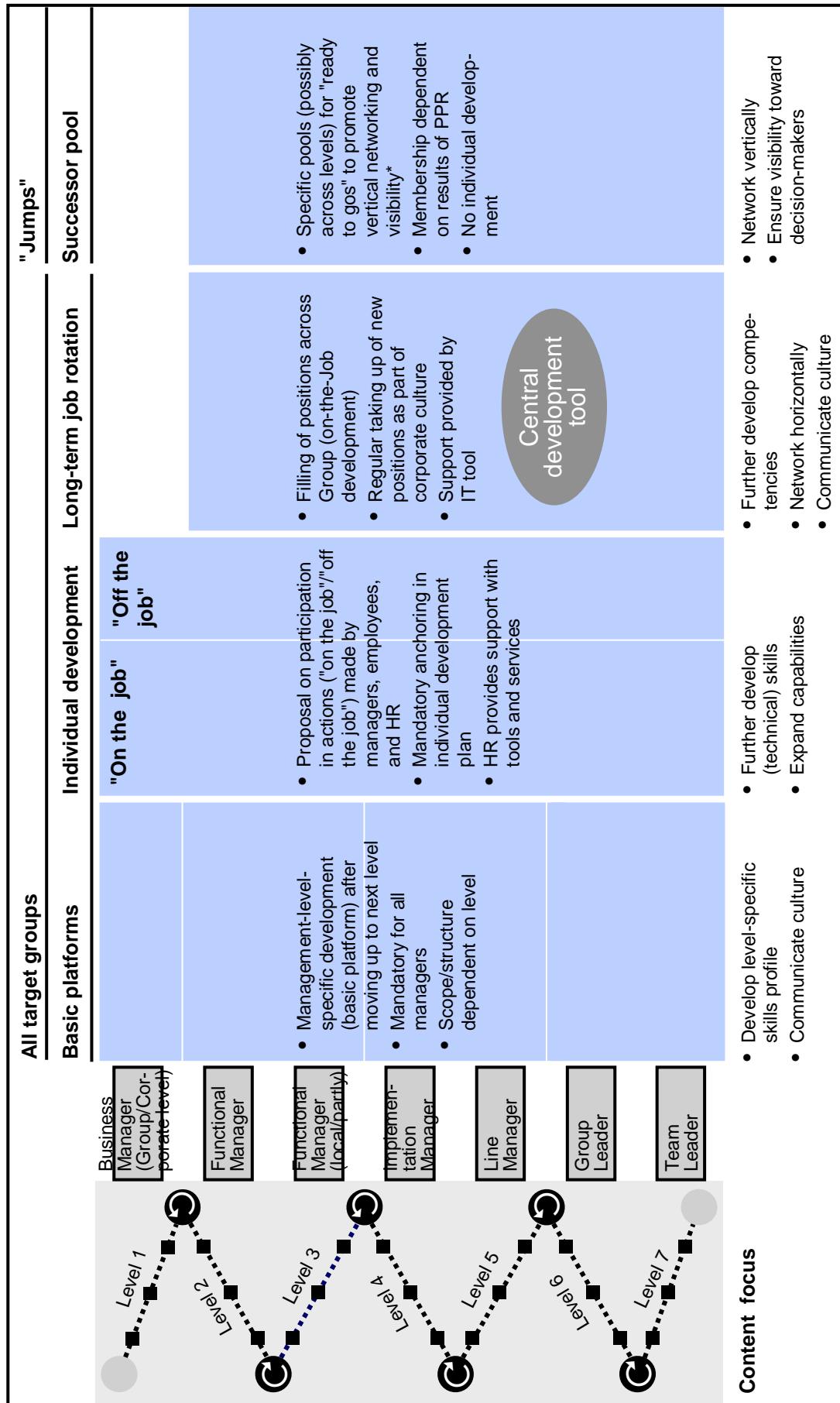
EXAMPLES AND KEY LEARNINGS OF DEVELOPMENT ACTIONS



Results of "War for Talent" (2000):
Training on the job linked to feedback/coaching offers highest development potential

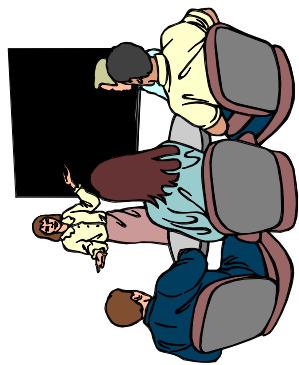
CLIENT EXAMPLE

Integrated development system focused on training on the job



Source: Team analysis

Leaders



- Profile leaders on "whole person" basis
 - Preparatory work to determine: Track record, leadership qualities, strengths and development needs, aspirations

Matching

- Ability to do the job
 - Development "stretch"

Opportunities



- Profile "breakthrough performance" opportunities
 - Opportunities contributing 80% of overall value creation (initiatives and line positions)
 - Leadership requirements

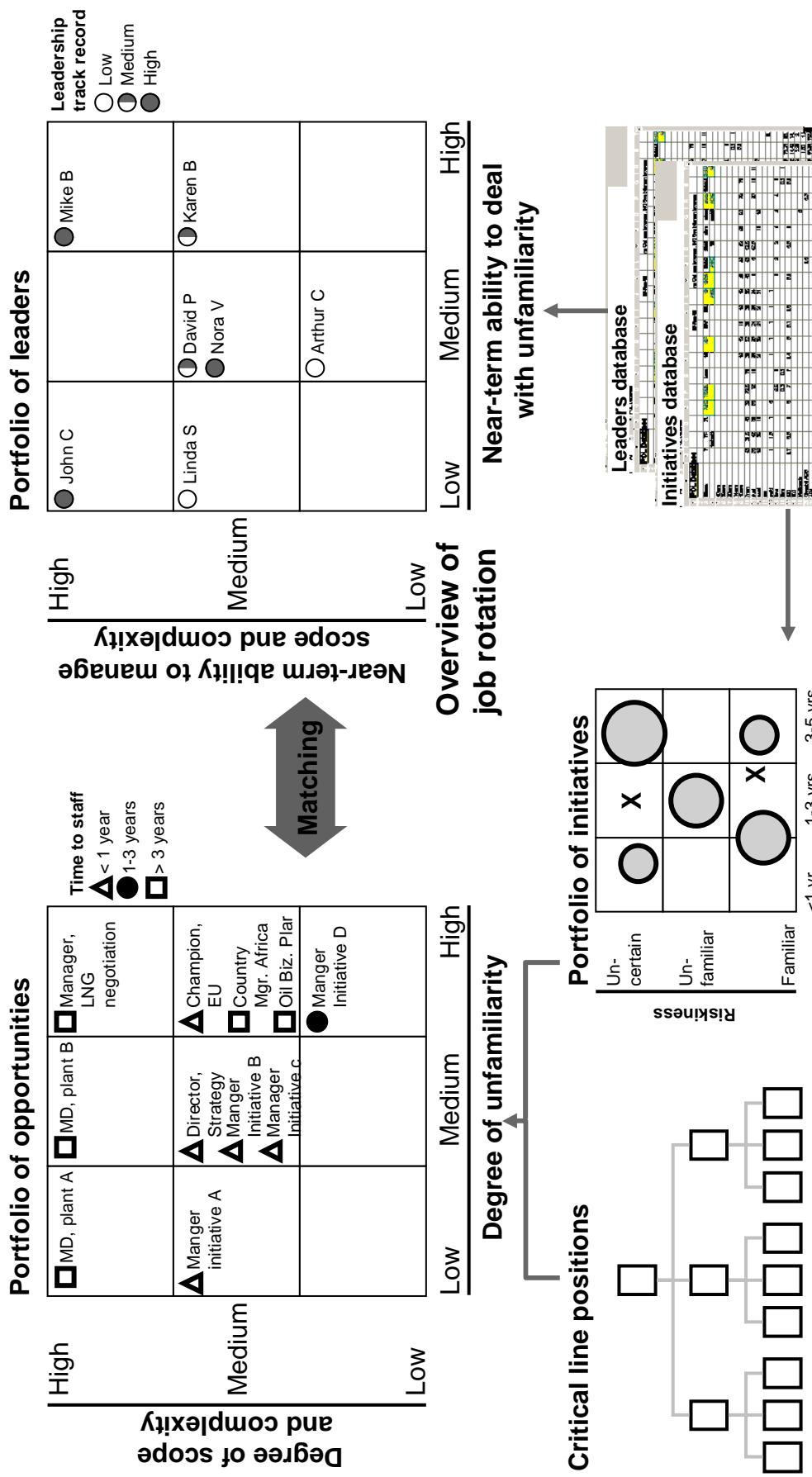
Coaching conversations

- Pre-matching: Understand leader and opportunity
 - Post-matching: Coach and guide successful candidate, manage expectations of unsuccessful candidates

GLOBAL OIL COMPANY

Leadership matching example

V



- Size indicates value creation
- ✗ Degree of impact (if value creation is not quantifiable)

Source: Global Organization and Leadership practice

Key questions**Key findings from best practice**

1 How many positions should be covered?

- Top 100 line positions and to 50 initiative positions

2 How many positions should be matched per round?

- For each matching session match 20 positions/opportunities grouped by functions, e.g. marketing, R&D
- Review min. 3 candidates per position – one matching session reviews ~60 candidates
- Candidates who are reviewed for an opportunity and not selected remain in the pool – the mentor needs to bring those candidates back in for the next round of opportunities
- Depending on company's situation, between once a month (in starting phase) and once every 6 months

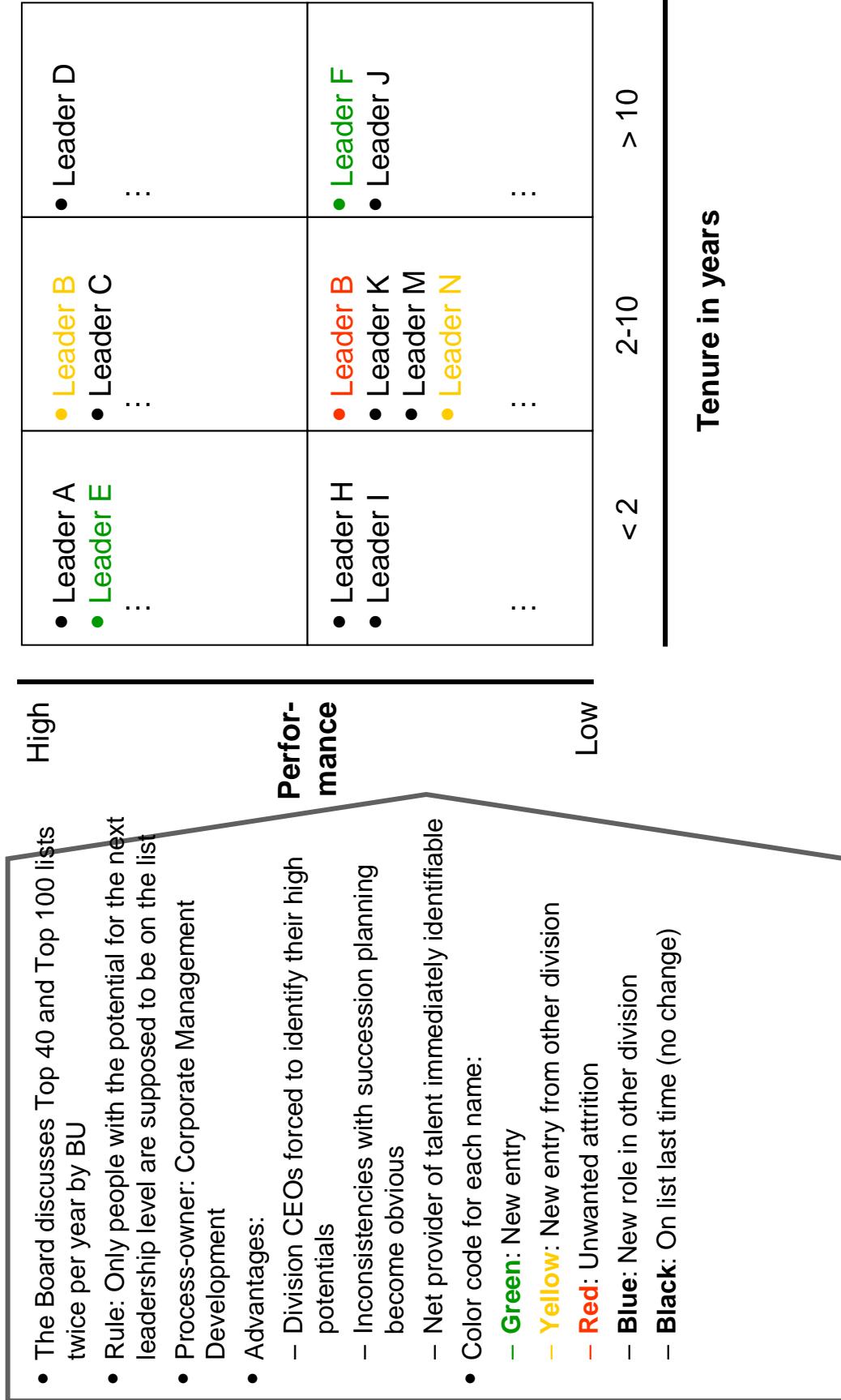
3 How often should matching take place?

4 How to free up talent for rotation?

- Monitoring of process by CEO and BU heads
- 3 candidates per opportunity (min. one outside BU)

5 How transparent should the process be?

- Needs to be defined according to company culture
 - Advertisement of opportunity even if position is staffed?
 - Be explicit on the position with candidates?



Career Mobility Workstream



August 29, 2008

Team Members: Jon Nance, Calving Leggett, Rodger Rochelle/Jimmy Travis, Wayne Hurder, Wendi Johnson, Arthur Petteway, Barry Bridges, Lynn Summers, Stephanie King

TODAY'S DISCUSSION – Career Mobility Workstream

Working Draft

Objectives

- Define policy, guidance, programs, that will enable DOT to promote mobility throughout the agency
- Define Recommendations to enable this to be successful (TMT and Leadership approval)

Agenda

- Action Item Updates and Discussion (Slides 4-7)
- New Items for Discussion
- Presentation
 - TMT Update September 15th
 - Leadership Team September 16th
- Next Meeting – September 5th

Workstream: Career Mobility Team

Working Draft

Mission Statement: Identify strategies (formal and informal) to build experience by facilitating the movement of employees to ensure cross organizational knowledge and readiness to meet 21st Century demands of the Department.

Advantages:

- Strengthens the leadership and management capabilities within the Department to gain cross organizational knowledge
- Assists in the transfer and use of skills and innovative solutions for solving governmental problems
- Facilitates an effective means of partnering with external stakeholders (i.e. federal, state and local officials, and citizens) who play a role in developing and implementing a robust transportation system
- Provides program and developmental experience which will enhance the employee's performance now and increases retention.

Cultural and Communication Barriers

Working Draft

- DOT does not have a culture of mobility though we know it grows the best managers and leaders
- Many times current employees do not actively seek a new job opportunity outside their current role
- Potential increase in grievances filed by employees
- Managers and supervisors are hesitant to contact employees outside their business area because other managers may become irritated about recruiting their staff
- Managers have not embraced hiring outside their current unit due to seniority and technical expertise within the area (current staff may have to train the “new kid on the block”)
- Lack of acceptance of an “outsider” to the group” that may not have direct experience in that area
- Stretch opportunities that grow a career are not comfortable for the employee, units, and often impacts home life

Cultural and Communication Barriers

- Lack of maturity now because employees are not staying long enough to get experience needed in a job
- Geographic burnout is seen due to high levels of responsibility and stress (why move there)
- Need leaders that have cross organizational knowledge
- How can we grow an outstanding employee that has minimal experience through a natural progression (performance / test abilities)
- Concern about disruption of projects, services, and programs
- Lack of knowledge transfer and succession planning in the areas impacted
- Lack of information about mobility opportunities
- Not perceived as a development opportunity
- Workforce demographics are changing with dynamic employment trends
- Loss of status

Strategies to Promote Mobility

Barry and Lynn

- Define a Mobility Policy or guidance on the importance of mobility

Stephanie

- Promote mobility in the hiring and selection process

- Note - Feedback from OSP indicates that the BEACON Steering Committee approved the planning phase of E-Recruit to begin January, 2009. Members of the Committee may change and this may be re-evaluated. E-Recruit has electronic application capability, and some handy sorting and applicant tracking features on the hiring side. Unsure about ability to workflow vacancy posting to qualified employees.

Explore Ways to Promote Mobility - Posting, Selection and Hiring Process

Working Draft

Prior to filling a vacancy:

Analyze workforce planning needs of the unit and assess needs of the unit and the position to consider if duties should be reorganized / reassigned to gain cross organizational knowledge

Hiring Process steps:

Write posting

State on the posting there is preference for individuals that have worked in various positions / areas (up to 2 to 3 areas) List many areas and they can have experience in a few of those identified

Determine posting period (post the maximum days)

Open posting to internal and external applicants for maximum time in order to give individuals more of an opportunity to apply per new guidance from the Hiring Practices Team.

Post position

Work with Human Resources to advertise the position in other ways

- Internal
 - Highlight positions (particularly those hard to fill) on the new HR talent focused website
 - Utilize E-Recruit to market positions throughout the organization once implemented (i.e. can we e-mail a tickler to inform staff of an opening?)
- External
 - Use Career Builder, Monster, etc. to encourage a broader selection pool of candidates (Contact Human Resources for help.)

Explore Ways to Promote Mobility - Posting, Selection and Hiring Process

HR tech qualifies applications and forwards back to hiring manager

- Implementation of SAP E-Recruit functionality may enable us to track data for a career mobility metric (interviewed and hired). Too cumbersome to manually track now. Specific job families???
- Barry and Angie are asking what may be available now through BI reporting from BEACON.
- Unable to verify the 8% McKinsey identified in the diagnostic?

Hiring manager selects candidates to interview and schedules interviews

- Require or encourage hiring manager to interview at least 1 qualified applicant outside the unit if possible

Hiring manager conducts Interviews

- Ask questions to all applicants beyond the specific duties within the area to see what other experiences could help area be more successful
- Encourage behavior type questions in the interview that help identify young and growing leaders

Hiring manager makes selection

- Factor in those skills of the applicants that can help the unit be more successful and grow better employees for DOT, focusing on stretch opportunities that grow the best.

Candidate Selection Form is completed

- Require managers to indicate on the Candidate Section form if they have interviewed outside their organizational unit and if they are hiring outside their area.

Human Resources Action form is completed (includes salary computation)

- If lateral – what can we do other than it being a career development opportunity (moving expense/vehicle)
- In time – perhaps an in-range if deemed critical to the organization (perhaps approved by SMC)
- If promotion – what can we do to encourage this to happen (consider some type of bonus, help with moving cost, progression within career band)
- Staying in unit but job changes to provide stretch and growth – in-range can be used

Explore Ways to Promote Mobility - Posting, Selection and Hiring Process

Approvals

Hiring Manager signs HR Action form (this is 1st level of approval)

- Indicate mobility considerations on the Candidate Section form

Next level supervisor reviews & approves (this is 2nd level of approval)

- In the review process review applicants and see if mobility was a consideration in the selection process

Next level supervisor forwards package to Human Resources

HR tech reviews and audits

Ensure Candidate Section form is complete with correct indications.

HR tech contacts business unit with approval

- Track organizational unit and enterprise level metric for mobility once E-Recruit is implemented to report on the Dashboard (investigating if this is possible)
- Barry and Angie are asking what is available through BEACON reporting now

Hiring manager contacts applicant, offers position, determines effective date

- At this time discuss other items such as moving allowance, assignment of a mentor or senior coach, job shadowing of key players in the unit to gain a better understanding, and discuss specific job expectations from day one....

Arthur

- How can this be promoted through the entire employee life cycle to grow better managers and leaders
- Need to identify ways for a new staff member to assimilate into their new role (provide a lifeline to the employee)

Interviewing others to identify common themes and formulate actions items

Reviewed from IBM and Proctor & Gamble

Rodger

- Define a plan to reassign vacant positions to fill the gap in areas that need assistance
- Explore a rotation plan (perhaps a year) within DOT beyond the TEA Program
- Organizational restructure to ensure work is accomplished – break down territorial walls

Calvin/Lynn

- Talk with Bev about training managers on “how to hire”.
- What are the best practices in this area and questions to be asked when interviewing someone outside your unit in order to hire the best candidate?
- Check out the new OSP Performance Solutions website – Hiring Questions are included.
- Stephanie will point this to the Training workstream for input.

Financial Barriers

- Moving to another location can cause financial loss (i.e. higher cost of living) even if receiving a promotion
 - Mobility is seen as a financial and family hindrance (two income families)
 - DOT does not encourage mobility through current moving expense policy and there may be areas of improvement and education for managers to what is covered (within the organization and new hires)
- State government policy would not allow a short term assignment to federal government to help offset financial burden to the employee. State government would not allow a living adjustment or an increase in the standard travel reimbursement (Fed's were willing to pay for the cross training opportunity).
- Current travel reimbursements policy may cause financial burden to employees
 - In some areas supervisors get paid less money than their employees because of overtime compensation (supervisor may have gotten 5% or 10% for the promotion)

Possible Solutions

Barry

- Consider giving a cost of living adjustment (Federal Motor Carrier compensates)
- Review possibly differing pay for different geographic areas (Federal agencies and VDOT offer something different to help compensate employees for the move)

Jon

- Review current moving expense policy and make recommendations for changes including housing -

Wendi

Investigate leasing apartment space (charging rent) to occupants that are in TEA Program

Accelerated Development Opportunities

Wendi

- TEA Program

Recommendations have been made to improve the program.

Jon

- Assess/explore method to broaden technical training in field operations (i.e. Maintenance – identify organized way to catch engineers up with technical experience)
- Identify other areas this is evident

Must consider cost of all recommendations.

Miscellaneous Recommendations Inclusive of other Workstreams

- Look at professional training as an opportunity to bring together individuals with diverse work experience/work units. (Discuss with Joey and Terry on TMT)
- There should be conversations about career mobility opportunities in the performance/evaluation process (not evaluated on it) but encouraged and supported through development plans. (**Discuss with PDA group**)
- Report on cost of TEA Program – including lost candidates – penalties incurred by TEA's (**Helen to provide input for Wendi and Jon**)
- Welcome to "DOT 101" training is important (**Jon has gotten the information that is given to the BOT**)
- Quickly reviewed topics covered in the FFWA 101 class – **Referred to Training Team**
- Provide feedback on new employee orientation information that will be distributed under development – **Requested from Jeff Roerden**
- Utilize much of the data from the Business Unit efficiency information collected to jumpstart the gathering information for the training- **Referred to Joey Hopkins**
- Think about career outline that Don V suggested-**Referred the document to Career Tracks Team and Performance Management Team**
- Consider a HR Newsletter to market the increased job satisfaction and career development by obtaining a broad knowledge base and highlight certain positions. Use personal stories that people can relate to such as an employee highlight (Wendi, Arthur, and Jon would be great)
- Encourage leadership to talk about this in their presentations and with their staff ("talk up the position")

Miscellaneous – cont.

Wendi

- Communicate the importance of hiring new talent outside their discipline (Point to Policy/Best Practice/Buy in from upper management/ Visibility of this happening to promote success/natural process for technical expert to then train others)
- Train managers to be managers and they do not have to be all things (perhaps not the technical expert – talk to Terry about Career Paths

Discussed the use of a survey and other ways to gather information concerning this.

Joey and Lynn

- Explore the use of Executive Training Program – DOR developed a formal program with certain criteria (good PM rating, supervisor approves, etc.) for acceptance that does not give any preference in selection of candidate

Federal Highway Administration Reimbursement Policy for Relocation to Another Duty Station

Working Draft

The Federal Government allows Federal agencies to reimburse employees certain moving expenses when employees relocate to another duty station. Not all agencies do this and some are more selective than others.

First time hires are eligible for only per diem, moving of household goods and mileage.

If an employee requests a transfer, no reimbursements are provided. This program is only for those positions where a vacancy has been posted.

Per Diem: is paid based on the number of miles from previous permanent duty station to your new duty station. Employee gets one day's per diem for every 350 miles. In other words, employee is expected to drive 350 miles per day to get to the new station.

Moving of Household goods:

Shipment- Single employees can ship up to 18,000 lbs. for reimbursement. Married folks up to 21,000 lbs. Federal govt has contracts with household movers to ship. Overages must be paid by employee.

Storage- Employees will be reimbursed (actual cost) for storage up to 60 days for household goods.

Temporary Quarters: Essentially employee may get up to 30 days per diem as long as employee has not closed on new residence.

Mileage: Rate for actual miles between duty station at whatever is the prevailing IRS rate.

Real Estate:

If selling residence yourself:

- Realtor's commission (customary and reasonable) when selling residence at old location.

- Limited Real Estate fees on closing costs on purchasing new residence: this includes estate stamps, taxes, loan origination fee, legal fees BUT NOT real estate commission since this is paid by seller.

Employees must try to sell home for 30 days. If this does not work, agency contract with a third party to provide relief to the employee. Employee is then given a list of certified appraisers and employee picks 3. If the first two come within 5% of each other on fair market value, then two prices are averaged and employee turns over home to relo company. If numbers are more than 5% apart, use the third appraiser and average two closest. Good news to employee is they receive 95% of equity within 5 working days and the rest when their home is sold by relo company. Relo company then receives 30% of this averaged "fair market" price as their fee for handling the home. Obviously, this part of the "relo program" is quite expensive to the agency but is a tremendous help to the employee.

Government also is required to reimburse employee for whatever additional taxes must be paid by employee to IRS and States IF they pay relocation benefits. This is really a "gray" area and I am not sure how it is working today.

Finally, there is a lump sum, one time payment of \$750 to each employee (ostensibly for miscellaneous expenses).

I tried to advocate that every employee be given just a one-time lump sum payment of some amount to cover all the above. It is simpler but probably would not make employees "whole" but then again, employees are moving to further their careers so they need to assume some of the costs.

Before we get too far along, consider this: the average/budgeted amount of cost to the agency per employee per move is approximately \$75,000 ! Some employee relocations are considerably more!! So this is an expensive item in the budget! Of course, the "benefits" could be trimmed and in fact, some Federal agencies reimburse NOTHING even when vacancies are posted.

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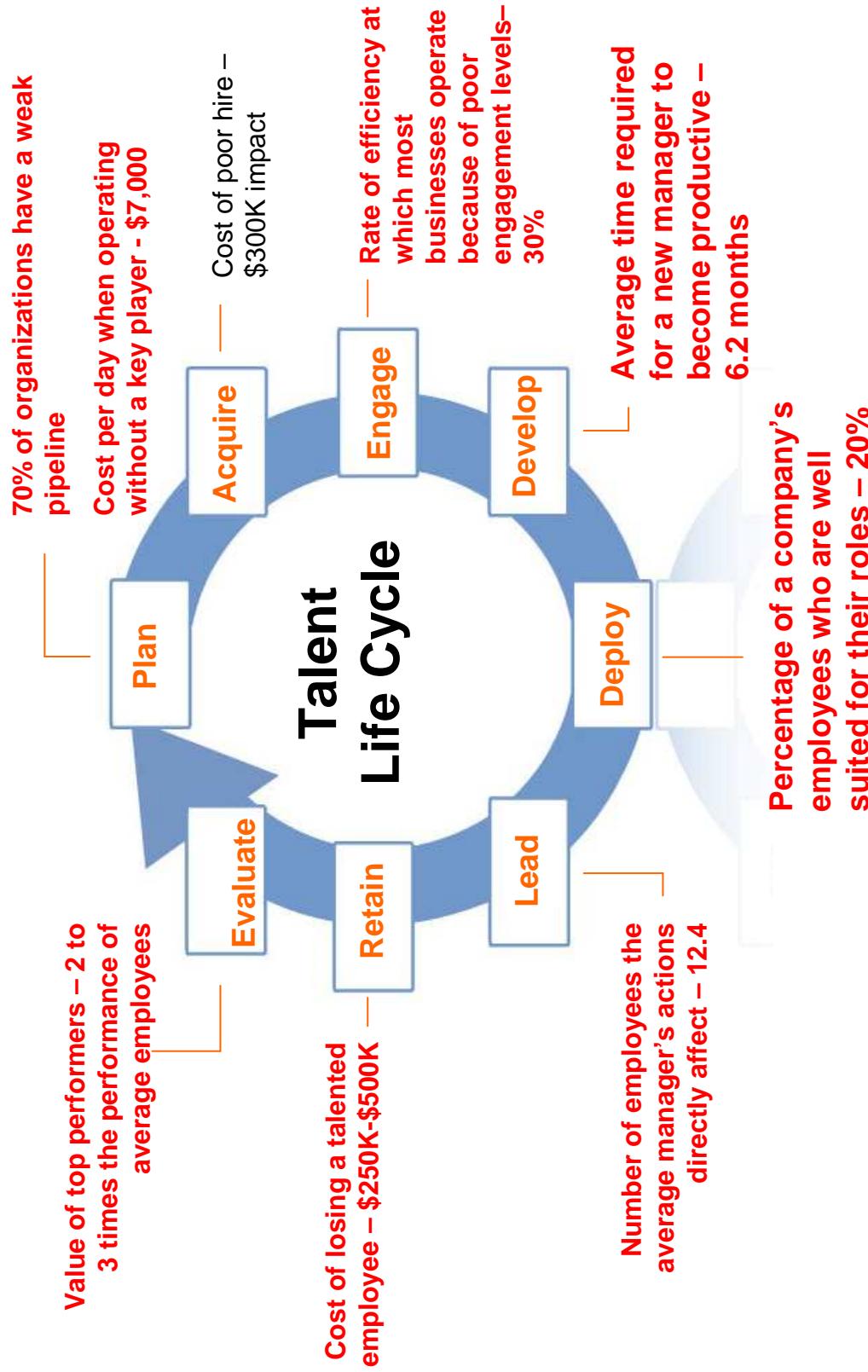
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 - Decisions overly influenced by potential external impressions (public, press, legislative)

Source: Focus groups, interviews, McKinsey diagnostic

The Talent Life Cycle by the Numbers

Working Draft



In top performing organizations it is a part of the culture. It is promoted by senior leadership at every opportunity including presentations. Senior leaders must model the behavior and communicate the value of gaining cross organizational knowledge. It is always in the “air”.

There should be conversations about it in the performance/evaluation process (not evaluated on it) but encouraged and supported.

Consider rotations within organization and outside the agency. Creates a good perception that you are growing the best in your field. Must communicate and network with others. You can't think that you are performing well but must deliver and be perceived as having A to Z knowledge by external world. Mobility can help grow those that can do this.

If an area has a new process designed they need to get their hands dirty and see the impacts to all areas beyond what they think.

At McK it is known within their culture that you must have been a part of multiple areas to be considered “leadership”. Used the example of architecture – must spend a certain amount of time on the construction side in order to design the best. At McDonald's everyone (all levels) must work at a franchise for 1 month. If you want to own a franchise you must work at a McDonald's for one year.

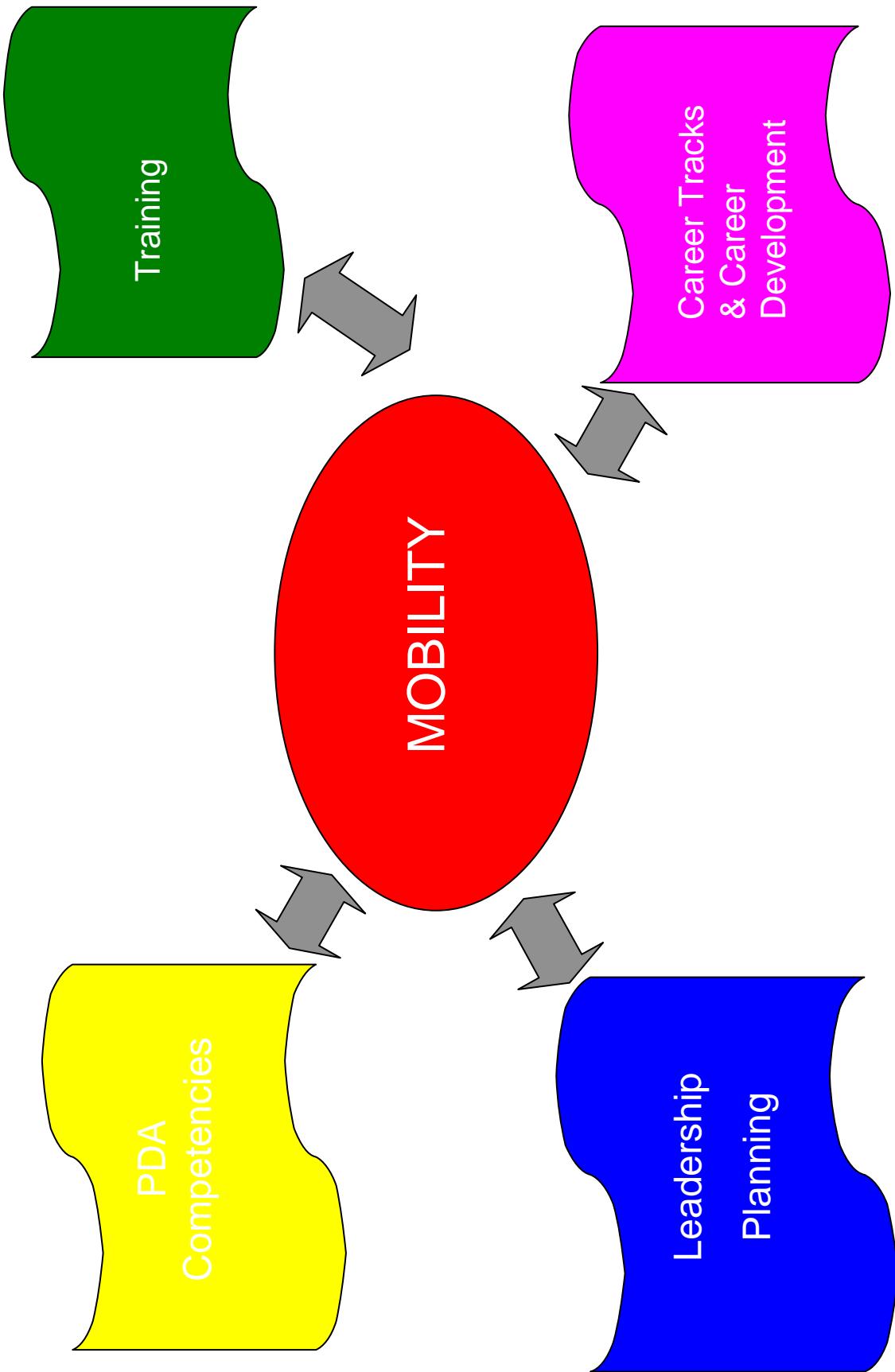
Solutions to Promote Mobility – Brainstorming

Working Draft

Description	Recommendations
Embrace Mobility within our Culture	
Define Career Tracks	
Address Monetary Issues	
Special Job Assignment	
Job Rotations	
Structure of Jobs	
Speed of Job Rotations	
Requirement to open most positions outside of silo	
Promote the importance of vertical and horizontal integration as a development opportunity	
Training	
Mentoring	
Development Opportunity outside of silo within PDA	

Working Draft

Other Talent Management Touch Points to Promote Mobility Through Development of Workforce





NC Department of Transportation

TMT Career Mobility Workstream

DRAFT

October 20, 2008

Career Mobility - Career Exposure to Build Organizational Knowledge

Problem Statement

NCDOT engineers are currently assigned a permanent position after the completion, or prior to completion of the Transportation Engineering Associates (TEA) Program and when hired from outside the Department. While the TEA Program is effective in introducing the Associate to the various aspects of the Department, it does not address the need for the engineers to fully understand the details of various Business Units within the Department to gain “organizational knowledge.” The same is true for outside hires. This “organizational knowledge” is gained through longer term exposure to different elements within the Department. Currently, in order to gain “organizational knowledge” an engineer must apply for a permanent position within the area of interest and be selected for that position under current HR guidelines. This, in turn, offers the employee no means of returning to their primary area of interest, once cross organizational experience is gained, unless they can locate, interview and be selected for an open position in their originating business unit. This aspect greatly inhibits the less experienced engineer’s ability to move within the organization. In addition, in many business units, there is an expectation that an engineer stay within that unit in order to be considered for future promotions.

Overarching Considerations

NCDOT Business Units must consider the following in order to break down the existing barriers that prevent employees from gaining cross organizational knowledge. Business Units must:

- ◆ accept that cross organizational experience is as valuable or more valuable (in some cases) as a single area of expertise when hiring
- ◆ must define their critical functions and develop a plan to ensure these items are delivered
- ◆ utilize their vacancies in the most efficient way by developing skills for required critical functions

Potential Solutions to Consider:

1. Establish an Associate Development Program to Provide Cross-Training for Associates Who Have Recently Completed the TEA Program

This concept would establish a continuation program for Transportation Engineering Associates that have completed the initial 18 month training program. Similar to the *Engineer Work Exchange Program* below, the *Associate Development Program* would offer Associates the opportunity to participate for at least two assignments, up to one year each, once they have completed the requirements of the TEA Program. This would allow the Associates the opportunity to be cross trained and continue to gain “organizational knowledge.”



NC Department of Transportation

TMT Career Mobility Workstream

DRAFT

October 20, 2008

2. Establish a voluntary Engineer Work Exchange Program to promote Cross-Training Among Existing Engineering Staff

This concept allows each Business Unit to establish an appropriate number of temporary engineering positions (perhaps 1-3 per unit) that allow an existing employee to “temporality transfer” to that Business Unit for a specified period of time, i.e., up to one year. This concept would also allow the Business Units some flexibility in maintaining vacancy rates as need throughout the Department. Business Units would be responsible for coordinating the work exchanges so that daily operations would be maintained and all critical functions are completed. Other considerations should include the following:

- ◆ “temporary” positions held in each Business Unit would allow employees to actually perform and be responsible for the critical functions as part of their PDA and work assignments.
- ◆ the Engineer Work Exchange Program is would be a volunteer program open to all NCDOT engineers on a first come, first served basis.
- ◆ Business Units would focus on building skills for critical functions in less experienced engineers, so that the pool for those skills can be expanded Department wide.
- ◆ consideration for a central point of contact to coordinate the Engineer Work Exchange Program.

3. Establish a voluntary Work Exchange Program to promote Cross-Training Among All Existing NCDOT Staff

This concept allows each Business Unit to establish an appropriate number of temporary positions (perhaps 1-2 per unit) that allow an existing employee to “temporality transfer” to that Business Unit for a specified period of time, i.e., up to one year. This concept would also allow the Business Units some flexibility in maintaining vacancy rates as need throughout the Department. Business Units would be responsible for coordinating the work exchanges so that daily operations would be maintained and all critical functions are completed. Other considerations could include the following:

- ◆ “temporary” positions held in each Business Unit would allow employees to actually perform and be responsible for the critical functions as part of their PDA and work assignments.
- ◆ the Work Exchange Program is would be a volunteer program open to all NCDOT employees on a first come, first served basis.
- ◆ Business Units would focus on building skills for critical functions in less experienced employees, so that the pool for those skills can be expanded Department wide.
- ◆ consideration for a central point of contact to coordinate the Work Exchange Program.

These example concepts would provide the career mobility and encourage personnel to seek organizational knowledge to better themselves and the Department without sacrificing career stability.

Career Mobility Workstream: *Up Is Not the Only Way*



Strategic Management Committee

October 20, 2008

Team Members

Jon Nance, Calvin Leggett, Rodger Rochelle, Jimmy Travis, Wayne Hurder, Wendi Johnson, Arthur Petteway, Barry Bridges, Lynn Summers, Stephanie King

Why Career Mobility Is a Good Thing

Exposure to different areas of the business and to a variety of people and challenges give the more mobile employee a distinct developmental advantage.

Best practices in a wide variety of industries strongly suggest that individuals who have worked in more than a single functional area and in more than a single geographic area, all other things being equal, perform more capably when they advance to leadership roles than individuals who have been confined to a single functional or geographical area as they advanced in their careers.

Encouraging mobility has the added advantage of enabling organizations to better meet their business needs because they have more effectively developed their employees and have more effectively shared organizational knowledge.

In top performing organizations it is a part of the culture. It is promoted by senior leadership at every opportunity including presentations. It is always in the “air”.

Examples of Mobility Elsewhere

- **McKinsey** – Must have experienced multiple areas to be considered “leadership”.
 - **Architects** – Must spend time on construction side in order to design the best.
 - **McDonald’s** – Everyone must work in a restaurant for 1 month. To own a franchise, you must work at a McDonald’s for one year.
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Current Status of Career Mobility at NCDOT

- No incentive for employees to move
- Inadequate knowledge sharing and collaboration across organizations
- Mobility used now only for promotions
- Transportation Engineer Associated (TEA) job assignments are not strategic
- Posting process is a barrier to rotation
- Geographic moves are a cultural issue

At most, 8% of DOT managerial promotions are to other units within the department, which results in a “silo” environment

Only 50% of employees believe NCDOT uses job rotation to broaden employee experience and capabilities

From McKinsey study.

Our Talent Management Challenge

We currently have no strategy for enabling our people to gain cross-organizational knowledge

Cultural Barriers to Career Mobility

1. DOT has a culture of stability (not mobility), even though we know mobility grows the best managers and leaders.
2. Most of the time employees do not actively seek a new job opportunity outside their current role.
3. Employees assume they don't have a chance to get a job / opportunity outside of their current discipline, expertise, or career path.
4. Increased mobility could trigger an increase in grievances filed by employees.
5. Managers and supervisors are hesitant to contact employees outside their business area because other managers may become irritated about stealing their staff.
6. Managers have not embraced hiring outside their unit due to seniority issues and known technical expertise within their unit.
7. Managers are reluctant to bring in outsiders because their staff would have to train the “new kid on the block”.

Barriers to Career Mobility

8. **Work groups resist accepting an “outsider” who may not have direct experience in that area.**
9. Stretch opportunities that grow a career are not comfortable for the employee and often negatively affect home life.
10. Mobile employees may not stay long enough to get experience needed in a job or to make a contribution.
11. Move could be seen as leading to burnout, especially if it involves a geographic area known to be demanding and stressful – “Why move there?”
12. **Managers’ concern about disrupting projects, services, and programs.**
13. Lack of information about mobility opportunities.
14. Many mobility opportunities may not be perceived as development opportunities.
15. **Employees believe they will lose status if they move “across” rather than “up”.**

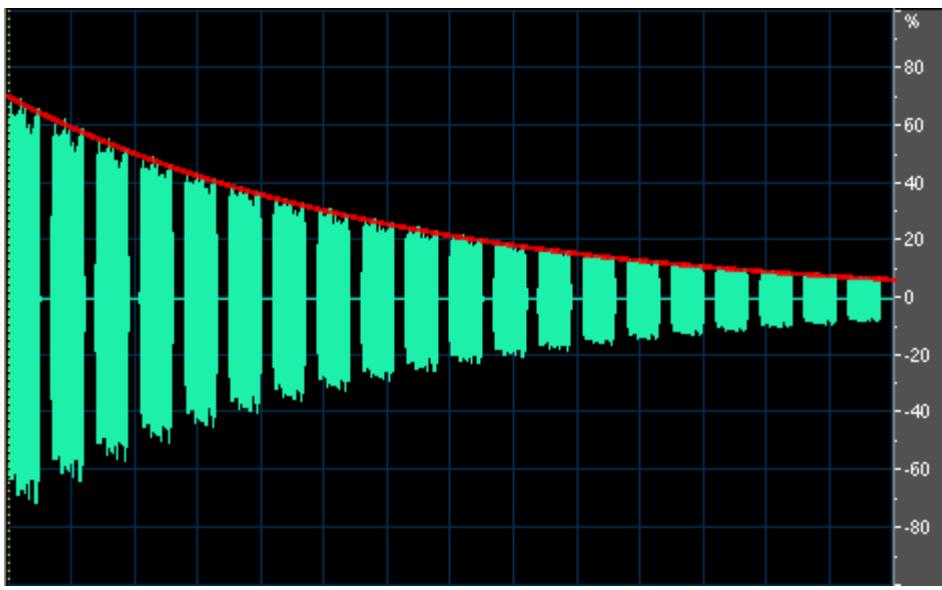
Financial Barriers to Career Mobility

1. Moving to another location can result in financial loss due to higher cost of living, even if receiving a promotion.
2. Mobility can disrupt family finances, especially with two-income families.
3. DOT does not encourage mobility through current moving expense policy. (There may be areas of improvement and education for managers regarding what is covered.)
4. State policy would not allow helping offset financial burden to the employee for a short-term assignment to federal government. State government would not allow a living adjustment or an increase in the standard travel reimbursement (Fed's were willing to pay for the cross training opportunity).
5. Current travel reimbursements policy may cause financial burden to employees.

Financial Barriers to Career Mobility

- 6. In some areas supervisors get paid less money than their employees because of overtime compensation (supervisor may have gotten 5% or 10% for the promotion).
- 7. In-range adjustments are not intended for use in promoting mobility; they are intended for market, additional scope, or equity adjustments.
- 8. Mobility often entails lateral movement and policy does not permit salary adjustments for lateral moves.

Spectrum of Mobility Experiences



Deep
experience

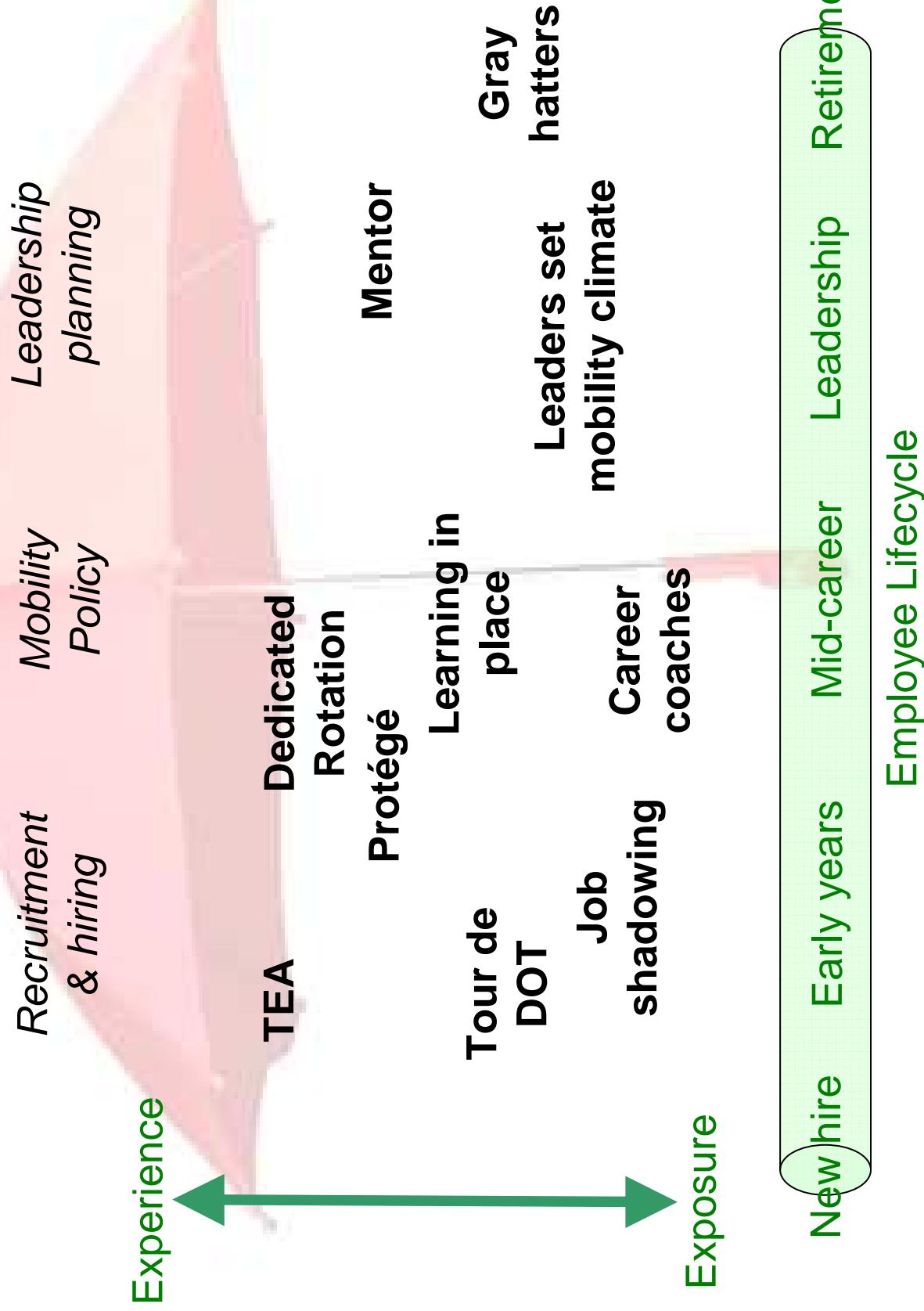


Mere
exposure

Employee stays in place for period of time (at least 3 years) and has full accountability for results associated with position.

Employee is temporarily assigned to a unit to gain knowledge of what goes on in the unit, may make “lite” contributions but is not formally accountable other than to “observe and learn.”

The Mobility Umbrella



Recommendations

1. Adopt career mobility policy. — See attachment for draft policy.

Policy Highlights:

- Policy will encourage the development of employees through career mobility
- Provide broad exposure during an employee's career to a variety of assignments and experiences in functionally and geographically diverse settings.
- Exposure will include both temporary, short term experiences as well as long term, embedded experiences across boundaries.
- Policy applies to all employees
- In stances involving promotions, lateral moves, or reassignments, NCDOT policy on recruitment and selection shall apply. Hiring managers shall take care to give fair weight to the experience offered by applicants outside the hiring unit's functional or geographic area.
- In instances where mobility is being considered and the recruitment and selection policy does not apply, (such as cross training, special assignments, and rotation) employees must have an Outstanding or Exceeds Expectation level, and have a stated interest in job-related development, career advancement, or career change.
- Management approval is required and will be monitored by the Talent Strategist.

Recommendations

2. Change hiring practices.
 - On posting, state preference for varied experience.
 - For positions where outside-the-unit candidates are desired, leave posting open for max time.
 - Encourage hiring manager to interview at least one qualified applicant if available from outside business unit.
 - Expand interview questions to focus on broader skills in addition to technical skills specific to the unit.
 - Manager discusses developmental opportunities with new employee, as well as specific job expectations.

Recommendations

3. Improve internal marketing of positions.
 - Highlight positions on new HR talent-focused website.
 - Promote openings by sending e-mail to staff (using e-Recruit).
 - Publicize available dedicated rotation positions.
 - Promote mobility through stories in HR newsletter.

Recommendations

4. Promote mobility by *experience*.

• Refine Transportation Engineer Associates Program (TEA)

Issue:

- Currently there are 120 slots for the TEA program, with only 65 to 70 filled. Recruitment Office is unable to handle an increase in the program and functional areas and regions are having a hard time recruiting TEA's.
- How many TEA slots do we need to fill?
- Rail, Aviations and other areas have limited or no positions for TEA to go into.

Recommended Refinements:

- Increase staff in recruitment office to manage additional TEA's required, establish a method to identify the true level of need for associates and fill accordingly, and use all functional areas and regions for TEA rotations.
- Require hard to fill areas or functions as a part of the TEA rotation.
- Allow areas to have a reserved position for a TEA to fill.

* See Attachment for Detail Issue Listing and Recommendations.

Recommendations

Working Draft

4. Promote mobility by *experience cont.*

Provide staff development programs that promote mobility and that can be right sized to fit the Department's needs. These programs can be customized to target specific areas for cross-training and development of institutional knowledge:

Associate Development Program (*Basic addressing continuation of entry level "new" engineers*)

Specific TEA cross-training continuation program that includes two (2) long term assignments within five (5) years of completion of the TEA program.

Engineer Work Exchange Program (*Advanced addressing entry level and existing engineering staff*)

TEA's and existing engineering staff cross-training program that includes longer term assignments within a specified period of time or after completion of the TEA program.

Work Exchange Program (*Broad based addressing all NCDOT staff*)

NCDOT staff cross-training program that includes longer term assignments within a specified period of time.

These proposals would provide career mobility and encourage personnel to seek organizational knowledge to better themselves and the Department without sacrificing career stability.

*See Attachment for detail proposal.

Recommendations

4. Promote mobility by *experience cont.*

- Evaluate unit (or units) based on workforce analysis to redeploy resources to meet organizational needs.
- Expand or change job duties to provide stretch opportunities.
- Broaden technical training operations in field operations (i.e. Technical Academy) .

Recommendations

5. Promote mobility by *exposure*.

- **Introduce job shadowing more broadly.**
- **Implement Tour de DOT** (Open house, Show & Tell tours where employees from one silo tour neighboring silos for exposure to new methods and gain cross organizational knowledge.
- **Implement DOT 101 training.**
- **Build in networking during formal training events** (allow employees to share their job experiences and also allow them to establish contacts within the other silos).

Recommendations

6. Keep mobility “in the air”.

- Discuss mobility opportunities in manager-employee performance management discussions.
- Play up importance of management skills (vs. technical knowledge).
- Leaders promote mobility through their talks, presentations.
- Managers invite reps from other units to give presentations.
- Encourage mobility in assessment center participants' development plans.

Recommendations

7. Develop leaders through diverse experiences.
 - Use Experience Checklist (from Leadership Planning).
 - Recruit leaders to serve as mentors.

Recommendations

8. Leverage retirees' knowledge.

- Use Gray Hatters to help cross train ('Gray Matter=Brain Matter')
How do we get that knowledge out of the retiree's brain before he or she ends their work life cycle here at NCDOT).
- Institute an intergenerational knowledge transfer program (New OSP program that offers assistance and tools in identifying, gathering and transferring critical knowledge by the most appropriate method or combination of transfer options.)

Recommendations

9. Reduce mobile employees' financial risk.

- For promotions or lateral moves, consider financial assistance through moving expense reimbursement, progression within career band, salary adjustment.
- Use market information to adjust for geographic differences in cost of living.
- Refine moving expense policy (detail analysis will be provided).
 - Educate hiring managers and employees
 - Should be made available for new employees with qualifying conditions
 - Policy references promotions but not transfers
 - Clarify special circumstances
- Policy does not give consideration for Saturday moves.....cost containment for self moves.

Recommendations

10. Develop metric to measure mobility and its impact for high performers

What's Next?

- Obtain senior management feedback and approval to implement recommendations.
- Define ownership of approved recommendations for implementation.



Career Mobility Workstream: *Up Is Not the Only Way*



October 20, 2008

Team Members

Jon Nance, Calvin Leggett, Rodger Rochelle, Jimmy Travis, Wayne Hurder, Wendi Johnson, Arthur Petteway, Barry Bridges, Lynn Summers, Stephanie King

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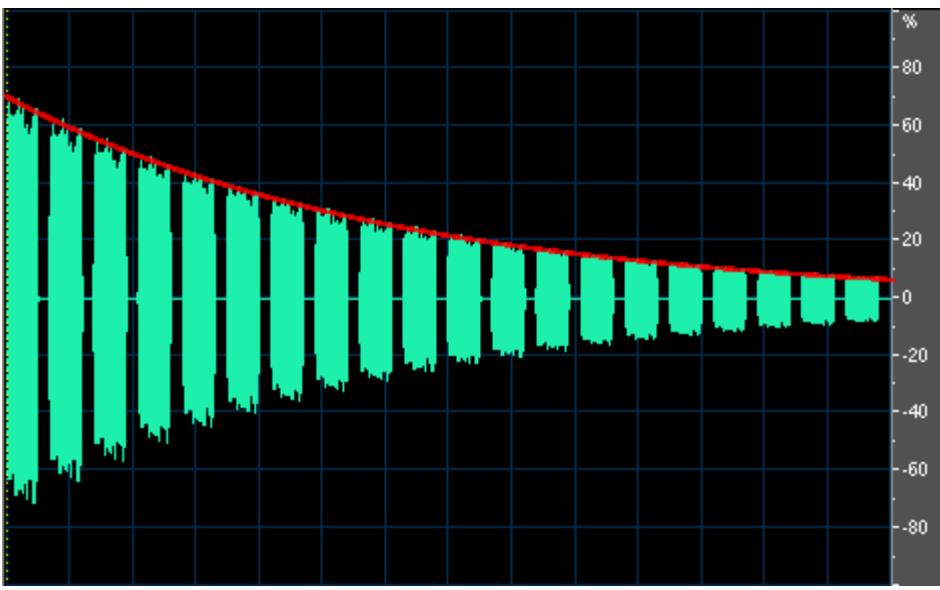
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Mere
exposure

The Mobility Umbrella

Recruitment & hiring Mobility Policy

Leadership planning

Experience

TEA

Dedicated Rotation

Protégé

Learning in place

Tour de DOT

Mentor

Leaders set mobility climate

Career coaches

Job shadowing

Exposure

New hire Early years Mid-career Leadership Retirement

Employee Lifecycle

Recommendations

1. Adopt career mobility policy. – See attached.

Recommendations

2. Change hiring practices.
 - On posting, state preference for varied experience.
 - For positions where outside-the-unit candidates are desired, leave posting open for max time.
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3. Improve internal marketing of positions.
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 - Promote openings by sending e-mail to staff (using e-Recruit).
 - Publicize available dedicated rotation positions.
 - Promote mobility through stories in HR newsletter.

Recommendations

4. Promote mobility by *experience*.
 - Refine TEA. – ***See proposal.***
 - Implement a dedicated, post-TEA rotation plan. – ***See proposal.***
 - Re-organize unit (or units) based on workforce analysis.
 - Expand / change job.
 - Broaden technical training in field operations.

Recommendations

5. Promote mobility by *exposure*.
 - Introduce job shadowing more broadly.
 - Implement Tour de DOT.
 - Implement DOT 101 training.
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 - Use market information to adjust for geographic differences in cost of living.
 - Refine moving expense policy.

Recommendations

10. Develop metrics to measure mobility and its impact for stretch opportunities for high performers and develop leaders

What's Next?

- Obtain senior management approval to implement recommendations
- Define ownership of approved recommendations for implementation.

Career Mobility Plans

Team Kick-off May 16, 2008

Team Members: Stephanie King, Jon Nance, Calvin Leggett, Rodger Rochelle, Wendi Johnson, Wayne Hurder, Arthur Petteway

Team Mission

Identify strategies to build career development opportunities, talent management and retention within the organization, and enhance career transition to better able NCDOT to effectively and efficiently utilize their human resources.

Plan should facilitate the movement of employees to ensure a knowledgeable organizational readiness to meet 21st Century demands of the Department. Mobility assignments can be used to achieve objectives such as:

- strengthening the management capabilities within the Department (cross organization knowledge);
- assisting the transfer and use of new technologies and approaches to solving governmental problems;
- facilitating an effective means of involving state and local officials in developing and implementing a robust transportation system; and,
- provide program and developmental experience which will enhance the assignee's performance in his or her regular job.

TEA Program Analysis Document

Issue	Possible solution or comments
120 slots for TEA program with associated funding available. At any one time only 65-70 are filled. Constraints are space to put the TEA such as work assignments and limited staffing in the recruitment office to management additional program participates.	<ul style="list-style-type: none"> • Increase staffing in recruitment office to manage additional TEAs. • Establish a method to identify the true level of need for associates and fill positions accordingly. • Use all available functional areas and regions for TEA rotations.
Current orientation for TEA last one week. This does not allow for TEA to get a complete overview of the Department or accomplish any additional training. Due to travel hardships this time has not been increased.	Accommodations can be made at a local hotel via PO for those who are traveling for out of town.
Notebook given to TEA for all areas of the DOT.	Does this effort need to be coordinate with the new orientation program that will teach new employees about the department as a whole.
Management classes are not being given to TEA due to scheduling issues.	<ul style="list-style-type: none"> • Recommend having management classes specifically for TEA at a given time in their rotation. • Accommodations can be made at a local hotel via PO for those who are traveling for out of town.
Some functional areas or regions in the state may have a hard time getting TEAs.	Require hard to fill areas/or functions as a part of the rotation of the TEAs.
Rail/ Aviation /Other? Have limited TEI positions for a TEA to go into.	Consider allowing these groups to have a reserved position for a TEA to go into.
Supervisors filling TEI may not have access to the list of available TEA's.	Make list of TEA participate available via web.

Not all functional areas within the Department are including in TEA rotation. Such as Fiscal and HR.	Added rotation time in Fiscal, HR, ect.
40+ year goal of the program was to provide a ready pull of talent for the engineering level.	Question does the program accomplish this? How are we measuring?
Currently, only out-of-state new employees to the TEA program may receive up \$1500.00 for moving expense.	Need to have moving expenses for all new TEAs if their 1 st assignment is outside their current residence area.
Need to provide housing for Associates while in Raleigh, long term and short term.	<ul style="list-style-type: none"> • Lease apartments on an ongoing basis that the TEAs can use as they come in and out of Raleigh on long term assignments. • Accommodations can be made at a local hotel via PO for those who are traveling for out of town.
Elevations of TEAs by supervisors may not give an adequate assessment of the TEA.	
Offer Sign up bonuses.	
Helen's wish list	<p>Reinstate SMR. Money for FE Give financial relief to TEA for the 4 week period it takes s for 1st check Would like each function to take ownership and develop a program for the TEA when they are in the work group. Designate a space for the TEA.</p>

Career Mobility Workstream: *Up Is Not the Only Way*



September 15, 2008

Team Members

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- Posting process is a barrier to rotation
- Geographic moves are a cultural issue

At most, 8% of DOT managerial promotions are to other units within the department, which results in a “silo” environment

Only 50% of employees believe NCDOT uses job rotation to broaden employee experience and capabilities

From McKinsey study.

Our Talent Management Challenge

We currently have no strategy for enabling our people to gain cross-organizational knowledge

Barriers to Career Mobility

1. DOT has a culture of stability (not mobility), even though we know mobility grows the best managers and leaders.
2. Most of the time employees do not actively seek a new job opportunity outside their current role.
3. Employees assume they don't have a chance to get a job / opportunity outside of their current discipline, expertise, or career path.
4. Increased mobility could trigger an increase in grievances filed by employees.
5. Managers and supervisors are hesitant to contact employees outside their business area because other managers may become irritated about stealing their staff.
6. Managers have not embraced hiring outside their unit due to seniority issues and known technical expertise within their unit.
7. Managers are reluctant to bring in outsiders because their staff would have to train the “new kid on the block”.

Barriers to Career Mobility

8. Work groups resist accepting an “outsider” who may not have direct experience in that area.
9. Stretch opportunities that grow a career are not comfortable for the employee and often negatively affect home life.
10. Mobile employees may not stay long enough to get experience needed in a job or to make a contribution.
11. Move could be seen as leading to burnout, especially if it involves a geographic area known to be demanding and stressful – “Why move there?”
12. Managers’ concern about disrupting projects, services, and programs.
13. Lack of information about mobility opportunities.
14. Many mobility opportunities may not be perceived as development opportunities.
15. Employees believe they will lose status if they move “across” rather than “up”.

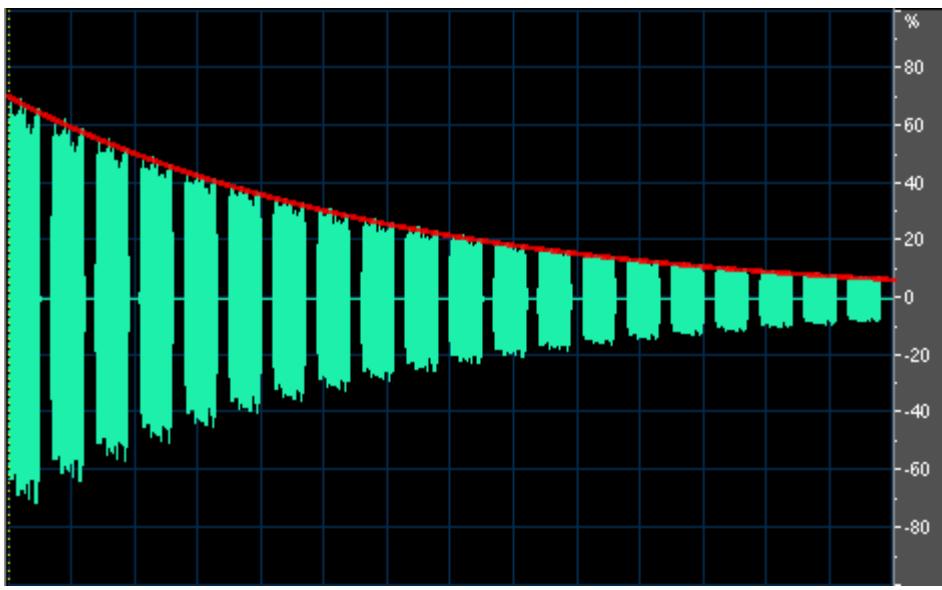
Financial Barriers to Career Mobility

1. Moving to another location can result in financial loss due to higher cost of living, even if receiving a promotion.
2. Mobility can disrupt family finances, especially with two-income families.
3. DOT does not encourage mobility through current moving expense policy. (There may be areas of improvement and education for managers regarding what is covered.)
4. State policy would not allow helping offset financial burden to the employee for a short-term assignment to federal government. State government would not allow a living adjustment or an increase in the standard travel reimbursement (Fed's were willing to pay for the cross training opportunity).
5. Current travel reimbursements policy may cause financial burden to employees.

Financial Barriers to Career Mobility

6. In some areas supervisors get paid less money than their employees because of overtime compensation (supervisor may have gotten 5% or 10% for the promotion).
7. In-range adjustments are not intended for use in promoting mobility; they are intended for market, additional scope, or equity adjustments.
8. Mobility often entails lateral movement and policy does not permit salary adjustments for lateral moves.

Spectrum of Mobility Experiences



Deep
experience



Mere
exposure

Employee stays in place for period of time (at least 3 years) and has full accountability for results associated with position.

Employee is temporarily assigned to a unit to gain knowledge of what goes on in the unit, may make “lite” contributions but is not formally accountable other than to “observe and learn.”

The Mobility Umbrella

Recruitment & hiring Mobility Policy

Leadership planning

Experience

TEA

Dedicated Rotation

Protégé

Learning in place

Tour de DOT

Mentor

Leaders set mobility climate

Career coaches

Job shadowing

Exposure

New hire Early years Mid-career Leadership Retirement

Employee Lifecycle

Recommendations

1. Adopt career mobility policy. – See *draft*.

Recommendations

2. Change hiring practices.
 - On posting, state preference for varied experience.
 - For positions where outside-the-unit candidates are desired, leave posting open for max time.
 - Require or encourage hiring manager to interview at least one qualified applicant if available from outside business unit.
 - Expand interview questions to focus on broader skills in addition to technical skills specific to the unit.
 - Manager discusses developmental opportunities with new employee, as well as specific job expectations.

Recommendations

3. Improve internal marketing of positions.
 - Highlight positions on new HR talent-focused website.
 - Promote openings by sending e-mail to staff (using e-Recruit).
 - Publicize available dedicated rotation positions.
 - Promote mobility through stories in HR newsletter.

Recommendations

4. Promote mobility by *experience*.
 - Refine TEA. – ***See proposal.***
 - Implement a dedicated, post-TEA rotation plan. – ***See proposal.***
 - Re-organize unit (or units) based on workforce analysis.
 - Expand / change job.
 - Broaden technical training in field operations.

Recommendations

5. Promote mobility by *exposure*.
 - Introduce job shadowing more broadly.
 - Implement Tour de DOT.
 - Implement DOT 101 training.
 - Build in networking during formal training events.

Recommendations

6. Keep mobility “in the air”.
 - Discuss mobility opportunities in manager-employee performance management discussions.
 - Play up importance of management skills (vs. technical knowledge).
 - Leaders promote mobility through their talks, presentations.
 - Managers invite reps from other units to give presentations.
 - Encourage mobility in assessment center participants’ development plans.

Recommendations

7. Develop leaders through diverse experiences.
 - Use Experience Checklist (from Leadership Planning).
 - Recruit leaders to serve as mentors.

Recommendations

8. Leverage retirees' knowledge.
 - Use Gray Hatters to help cross train.
 - Institute an intergenerational knowledge transfer program.

Recommendations

9. Reduce mobile employees' financial risk.
 - Provide in-range for lateral moves based on consideration of skills and knowledge to be acquired.
 - For promotions, consider financial assistance through moving expense reimbursement, progression within career band, bonus.
 - Use market information to adjust for geographic differences in cost of living.
 - Refine moving expense policy.

Recommendations

10. Develop metrics to measure mobility and its impact.

What's Next?

- Need TMT feedback of the recommendations by Wednesday.
- Obtain senior management approval to implement recommendations and define ownership of items.

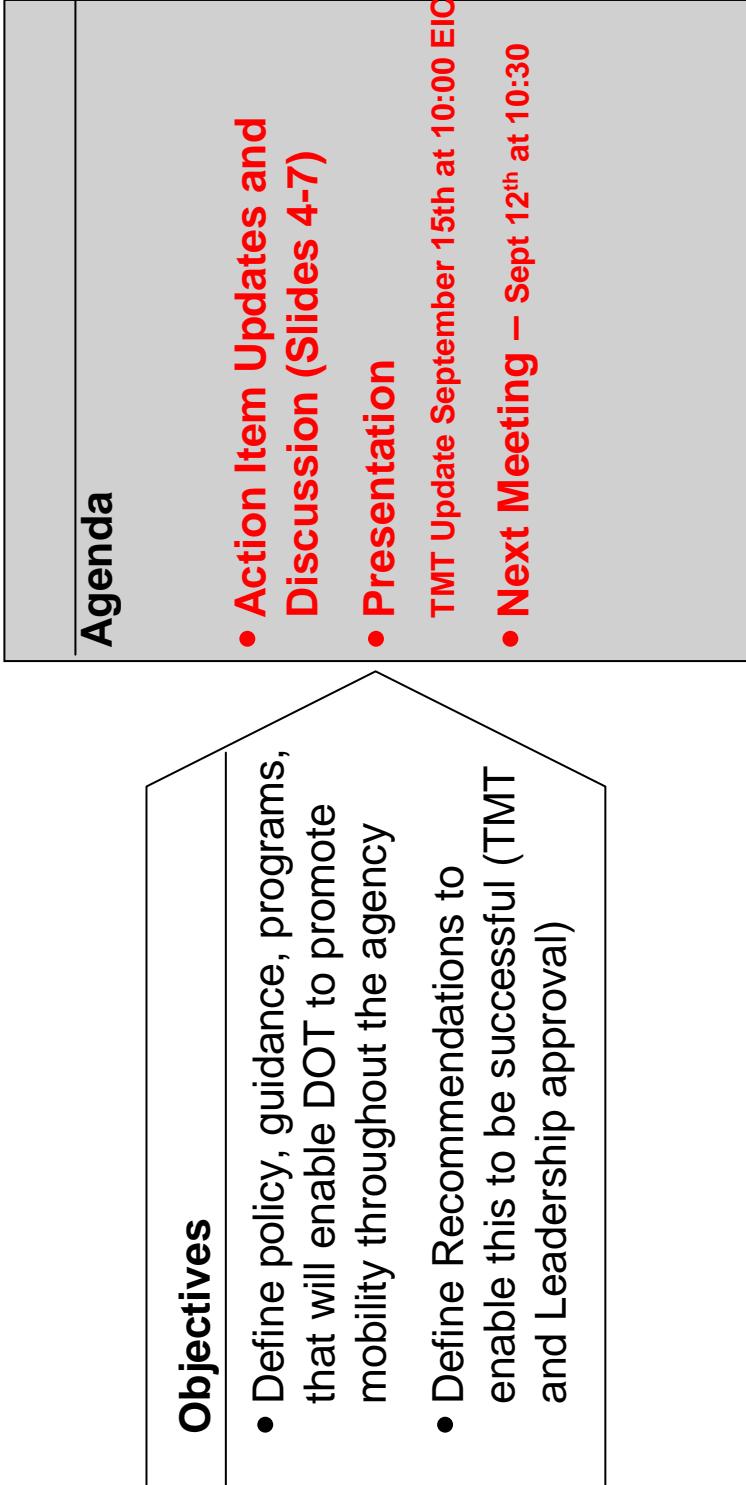
Career Mobility Workstream



September 5, 2008

Team Members: Jon Nance, Calving Leggett, Rodger Rochelle/Jimmy Travis, Wayne Hurder, Wendi Johnson, Arthur Petteway, Barry Bridges, Lynn Summers, Stephanie King

TODAY'S DISCUSSION – “Up Is Not the Only Way”



Fact Base for Developing a Career Mobility Workstream

50% of survey responses indicated that NCDOT uses job rotation to broaden the experience and capabilities of employees

Only 8% of DOT managerial promotions were to other units within the department that leads to silo environment

Cost of losing a talented employee – \$250K-\$500K

Best practice indicates that managers are encouraged to transfer every three years.

Best practice in private sector requires mobility as a prerequisite for senior management.

In order to make our organization a great place to work consider mobility metric - % moved

70% of organizations have a weak pipeline

Current talent management system is failing to develop managers, drive leadership and mobility functions for most critical functions

RESULTS: KEY CHALLENGES IN TALENT MANAGEMENT

Strategy	Recruit and Onboard	Review and Recognize	Develop	Deploy and Rotate
<p>The Talent Challenge</p> <ul style="list-style-type: none"> • No formal process for talent planning 	<ul style="list-style-type: none"> • Unable to hire the best talent 	<ul style="list-style-type: none"> • Current performance system ineffective 	<ul style="list-style-type: none"> • No strategic employee dev't process 	<ul style="list-style-type: none"> • No strategy for talent to gain cross org knowledge
<p>Drivers</p> <ul style="list-style-type: none"> • Immediate needs addressed rather than long term • No process to plan for attrition or retirement • Don't know how many people to hire/when – based only on open positions • No freedom to adequately plan 	<ul style="list-style-type: none"> • Takes too long to hire someone • Can't go after best b/c of salary not competitive • Need to find other ways to go after talent (than posting) • Job postings need to be more attractive and explicit • Qualifications process problematic • Difficult to onboard with weak proposition 	<ul style="list-style-type: none"> • PM is – Cumbersome – Inconsistent – Inaccurate – Ineffective – Procedural rather than developmental – Key responsibilities irrelevant – subjective • No rewards for good performance and few consequences for underperformance 	<ul style="list-style-type: none"> • Training not relevant • Cumbersome • Inconsistent • Inaccurate • Ineffective • Procedural rather than developmental – Key responsibilities irrelevant – subjective • Travel restrictions problematic • Independent development not encouraged • Upper management unwilling to invest 	<ul style="list-style-type: none"> • No incentives to move • No career tracks • No formal mentoring • Cross-training informal • Long-term benefits of development not apparent • TEA job assignments not strategic • Posting process is a barrier to rotation • Geographic moves are a cultural issue

- Underlying Issues*
- People are not considered an asset or a priority
 - Managers not empowered to control resources (human and other)
 - Employees constrained by policies that don't encourage employee growth or organizational health
 - Decisions overly influenced by potential external impressions (public, press, legislative)

Source: Focus groups, interviews, McKinsey diagnostic

Workstream: Career Mobility Team

Working Draft

Mission Statement: Identify strategies (formal and informal) to build experience by facilitating the movement of employees to ensure cross organizational knowledge and readiness to meet 21st Century demands of the Department.

Graphically depict the need / benefit of career mobility (components, etc.)

Bring in language from Policy

Define Problem Statement from Diagnostic etc.

Advantages:

- Strengthens the leadership and management capabilities within the Department to gain cross organizational knowledge
- Assists in the transfer and use of skills and innovative solutions for solving governmental problems
- Facilitates an effective means of partnering with external stakeholders (i.e. federal, state and local officials, and citizens) who play a role in developing and implementing a robust transportation system
- Provides program and developmental experience which will enhance the employee's performance now and increases retention.

Cultural and Communication Barriers

- DOT does not have a culture of mobility though we know it grows the best managers and leaders
- Many times current employees do not actively seek a new job opportunity outside their current role
- Potential increase in grievances filed by employees
- Managers and supervisors are hesitant to contact employees outside their business area because other managers may become irritated about recruiting their staff
- Managers have not embraced hiring outside their current unit due to seniority and technical expertise within the area (current staff may have to train the “new kid on the block”)
- Lack of acceptance of an “outsider” to the group” that may not have direct experience in that area
- Stretch opportunities that grow a career are not comfortable for the employee, units, and often impacts home life

Cultural and Communication Barriers

- Lack of maturity now because employees are not staying long enough to get experience needed in a job
- Geographic burnout is seen due to high levels of responsibility and stress (why move there)
- Need leaders that have cross organizational knowledge
- How can we grow an outstanding employee that has minimal experience through a natural progression (performance / test abilities)
- Concern about disruption of projects, services, and programs
- Lack of knowledge transfer and succession planning in the areas impacted
- Lack of information about mobility opportunities
- Not perceived as a development opportunity
- Workforce demographics are changing with dynamic employment trends
- Loss of status

Best Practice - Growing Executive Leadership per McKinsey

Working Draft

In top performing organizations it is a part of the culture. It is promoted by senior leadership at every opportunity including presentations. Senior leaders must model the behavior and communicate the value of gaining cross organizational knowledge. It is always in the “air”.

There should be conversations about it in the performance/evaluation process (not evaluated on it) but encouraged and supported.

Consider rotations within organization and outside the agency. Creates a good perception that you are growing the best in your field. Must communicate and network with others. You can't think that you are performing well but must deliver and be perceived as having A to Z knowledge by external world. Mobility can help grow those that can do this.

If an area has a new process designed they need to get their hands dirty and see the impacts to all areas beyond what they think.

At McK it is known within their culture that you must have been a part of multiple areas to be considered “leadership”. Used the example of architecture – must spend a certain amount of time on the construction side in order to design the best. At McDonald's everyone (all levels) must work at a franchise for 1 month. If you want to own a franchise you must work at a McDonald's for one year.

Strategies to Promote Mobility

Barry and Lynn

- Define a Mobility Policy or guidance on the importance of mobility

Stephanie – Handout for Presentation or Keep in PowerPoint?

- Promote mobility in the hiring and selection process

- Note - Feedback from OSP indicates that the BEACON Steering Committee approved the planning phase of E-Recruit to begin January, 2009. Members of the Committee may change and this may be re-evaluated. E-Recruit has electronic application capability, and some handy sorting and applicant tracking features on the hiring side. Unsure about ability to workflow vacancy posting to qualified employees.

Explore Ways to Promote Mobility - Posting, Selection and Hiring Process

Working Draft

Prior to filling a vacancy:

Analyze workforce planning needs of the unit and assess needs of the unit and the position to consider if duties should be reorganized / reassigned to gain cross organizational knowledge

Hiring Process steps:

Write posting

State on the posting there is preference for individuals that have worked in various positions / areas (up to 2 to 3 areas) List many areas and they can have experience in a few of those identified

Determine posting period (post the maximum days)

Open posting to internal and external applicants for maximum time in order to give individuals more of an opportunity to apply per new guidance from the Hiring Practices Team.

Post position

Work with Human Resources to advertise the position in other ways

- Internal
 - Highlight positions (particularly those hard to fill) on the new HR talent focused website
 - Utilize E-Recruit to market positions throughout the organization once implemented (i.e. can we e-mail a tickler to inform staff of an opening?)
- External
 - Use Career Builder, Monster, etc. to encourage a broader selection pool of candidates (Contact Human Resources for help.)

HR tech qualifies applications and forwards back to hiring manager

- Implementation of SAP E-Recruit functionality may enable us to track data for a career mobility metric (interviewed and hired). Too cumbersome to manually track now. Specific job families???
- Barry and Angie are asking what may be available now through BI reporting from BEACON.
- Unable to verify the 8% McKinsey identified in the diagnostic?

Hiring manager selects candidates to interview and schedules interviews

- Require or encourage hiring manager to interview at least 1 qualified applicant outside the unit if possible

Hiring manager conducts Interviews

- Ask questions to all applicants beyond the specific duties within the area to see what other experiences could help area be more successful
- Encourage behavior type questions in the interview that help identify young and growing leaders

Hiring manager makes selection

- Factor in those skills of the applicants that can help the unit be more successful and grow better employees for DOT, focusing on stretch opportunities that grow the best.

Candidate Selection Form is completed

- Require managers to indicate on the Candidate Section form if they have interviewed outside their organizational unit and if they are hiring outside their area.

Human Resources Action form is completed (includes salary computation)

- If lateral – what can we do other than it being a career development opportunity (moving expense/vehicle)
- In time – perhaps an in-range if deemed critical to the organization (perhaps approved by SMC)
- If promotion – what can we do to encourage this to happen (consider some type of bonus, help with moving cost, progression within career band)
- Staying in unit but job changes to provide stretch and growth – in-range can be used

Explore Ways to Promote Mobility - Posting, Selection and Hiring Process

Working Draft

Approvals

Hiring Manager signs HR Action form (this is 1st level of approval)

- Indicate mobility considerations on the Candidate Section form

Next level supervisor reviews & approves (this is 2nd level of approval)

- In the review process review applicants and see if mobility was a consideration in the selection process

Next level supervisor forwards package to Human Resources

HR tech reviews and audits

Ensure Candidate Section form is complete with correct indications.

HR tech contacts business unit with approval

- Track organizational unit and enterprise level metric for mobility once E-Recruit is implemented to report on the Dashboard (investigating if this is possible)
- Barry and Angie are asking what is available through BEACON reporting now

Hiring manager contacts applicant, offers position, determines effective date

- At this time discuss other items such as moving allowance, assignment of a mentor or senior coach, job shadowing of key players in the unit to gain a better understanding, and discuss specific job expectations from day one....

Arthur

- How can this be promoted through the entire employee life cycle to grow better managers and leaders
- Need to identify ways for a new staff member to assimilate into their new role (provide a lifeline to the employee)

Interviewing others to identify common themes and formulate actions items

Reviewed from IBM and Proctor & Gamble

Rodger

- Define a plan to reassign vacant positions to fill the gap in areas that need assistance
- Explore a rotation plan (perhaps a year) within DOT beyond the TEA Program
- Organizational restructure to ensure work is accomplished – break down territorial walls

Calvin/Lynn

- Talk with Bev about training managers on “how to hire”.
- What are the best practices in this area and questions to be asked when interviewing someone outside your unit in order to hire the best candidate?
- Check out the new OSP Performance Solutions website – Hiring Questions are included.
- Stephanie will point this to the Training workstream for input.

Financial Barriers

- Moving to another location can cause financial loss (i.e. higher cost of living) even if receiving a promotion
 - Mobility is seen as a financial and family hindrance (two income families)
 - DOT does not encourage mobility through current moving expense policy and there may be areas of improvement and education for managers to what is covered (within the organization and new hires)
- State government policy would not allow a short term assignment to federal government to help offset financial burden to the employee. State government would not allow a living adjustment or an increase in the standard travel reimbursement (Fed's were willing to pay for the cross training opportunity).
- Current travel reimbursements policy may cause financial burden to employees
 - In some areas supervisors get paid less money than their employees because of overtime compensation (supervisor may have gotten 5% or 10% for the promotion)

Possible Solutions

Barry & Lynn

- Consider giving a cost of living adjustment (Federal Motor Carrier compensates)
- Review possibly differing pay for different geographic areas (Federal agencies and VDOT offer something different to help compensate employees for the move)
- **Define Recommendations to promote financial incentives**

Jon

- Review current moving expense policy and make recommendations for changes
 - including housing -

Wendi

Investigate leasing apartment space (charging rent) to occupants that are in TEA Program

Accelerated Development Opportunities

Wendi

- TEA Program

Recommendations have been made to improve the program.

Jon

- Assess/explore method to broaden technical training in field operations (i.e. Maintenance – identify organized way to catch engineers up with technical experience)
- Identify other areas this is evident

Must consider cost of all recommendations.

Miscellaneous Recommendations Inclusive of other Workstreams

- Look at professional training as an opportunity to bring together individuals with diverse work experience/work units. (Discuss with Joey and Terry on TMT)
- There should be conversations about career mobility opportunities in the performance/evaluation process (not evaluated on it) but encouraged and supported through development plans. (**Discuss with PDA group**)
- Report on cost of TEA Program – including lost candidates – penalties incurred by TEA's (**Helen to provide input for Wendi and Jon**)
- Welcome to "DOT 101" training is important (**Jon has gotten the information that is given to the BOT**)
- Quickly reviewed topics covered in the FFWA 101 class – **Referred to Training Team**
- Provide feedback on new employee orientation information that will be distributed under development – **Requested from Jeff Roerden**
- Utilize much of the data from the Business Unit efficiency information collected to jumpstart the gathering information for the training- **Referred to Joey Hopkins**
- Think about career outline that Don V suggested-**Referred the document to Career Tracks Team and Performance Management Team**
- Consider a HR Newsletter to market the increased job satisfaction and career development by obtaining a broad knowledge base and highlight certain positions. Use personal stories that people can relate to such as an employee highlight (Wendi, Arthur, and Jon would be great)
- Encourage leadership to talk about this in their presentations and with their staff ("talk up the position")

Miscellaneous – cont.

Wendi

- Communicate the importance of hiring new talent outside their discipline (Point to Policy/Best Practice/Buy in from upper management/ Visibility of this happening to promote success/natural process for technical expert to then train others)
- Train managers to be managers and they do not have to be all things (perhaps not the technical expert – talk to Terry about Career Paths

Discussed the use of a survey and other ways to gather information concerning this.

Joey and Lynn

- Explore the use of Executive Training Program – DOR developed a formal program with certain criteria (good PM rating, supervisor approves, etc.) for acceptance that does not give any preference in selection of candidate

Recommendations:

Must clearly define what we want in order to get their approval to move forward

Old Stuff

Federal Highway Administration Reimbursement Policy for Relocation to Another Duty Station

Working Draft

The Federal Government allows Federal agencies to reimburse employees certain moving expenses when employees relocate to another duty station. Not all agencies do this and some are more selective than others.

First time hires are eligible for only per diem, moving of household goods and mileage.

If an employee requests a transfer, no reimbursements are provided. This program is only for those positions where a vacancy has been posted.

Per Diem: is paid based on the number of miles from previous permanent duty station to your new duty station. Employee gets one day's per diem for every 350 miles. In other words, employee is expected to drive 350 miles per day to get to the new station.

Moving of Household goods:

Shipment- Single employees can ship up to 18,000 lbs. for reimbursement. Married folks up to 21,000 lbs. Federal govt has contracts with household movers to ship. Overages must be paid by employee.

Storage- Employees will be reimbursed (actual cost) for storage up to 60 days for household goods.

Temporary Quarters: Essentially employee may get up to 30 days per diem as long as employee has not closed on new residence.

Mileage: Rate for actual miles between duty station at whatever is the prevailing IRS rate.

Real Estate:

If selling residence yourself:

- Realtor's commission (customary and reasonable) when selling residence at old location.

- Limited Real Estate fees on closing costs on purchasing new residence: this includes estate stamps, taxes, loan origination fee, legal fees BUT NOT real estate commission since this is paid by seller.

Employees must try to sell home for 30 days. If this does not work, agency contract with a third party to provide relief to the employee. Employee is then given a list of certified appraisers and employee picks 3. If the first two come within 5% of each other on fair market value, then two prices are averaged and employee turns over home to relo company. If numbers are more than 5% apart, use the third appraiser and average two closest. Good news to employee is they receive 95% of equity within 5 working days and the rest when their home is sold by relo company. Relo company then receives 30% of this averaged "fair market" price as their fee for handling the home. Obviously, this part of the "relo program" is quite expensive to the agency but is a tremendous help to the employee.

Government also is required to reimburse employee for whatever additional taxes must be paid by employee to IRS and States IF they pay relocation benefits. This is really a "gray" area and I am not sure how it is working today.

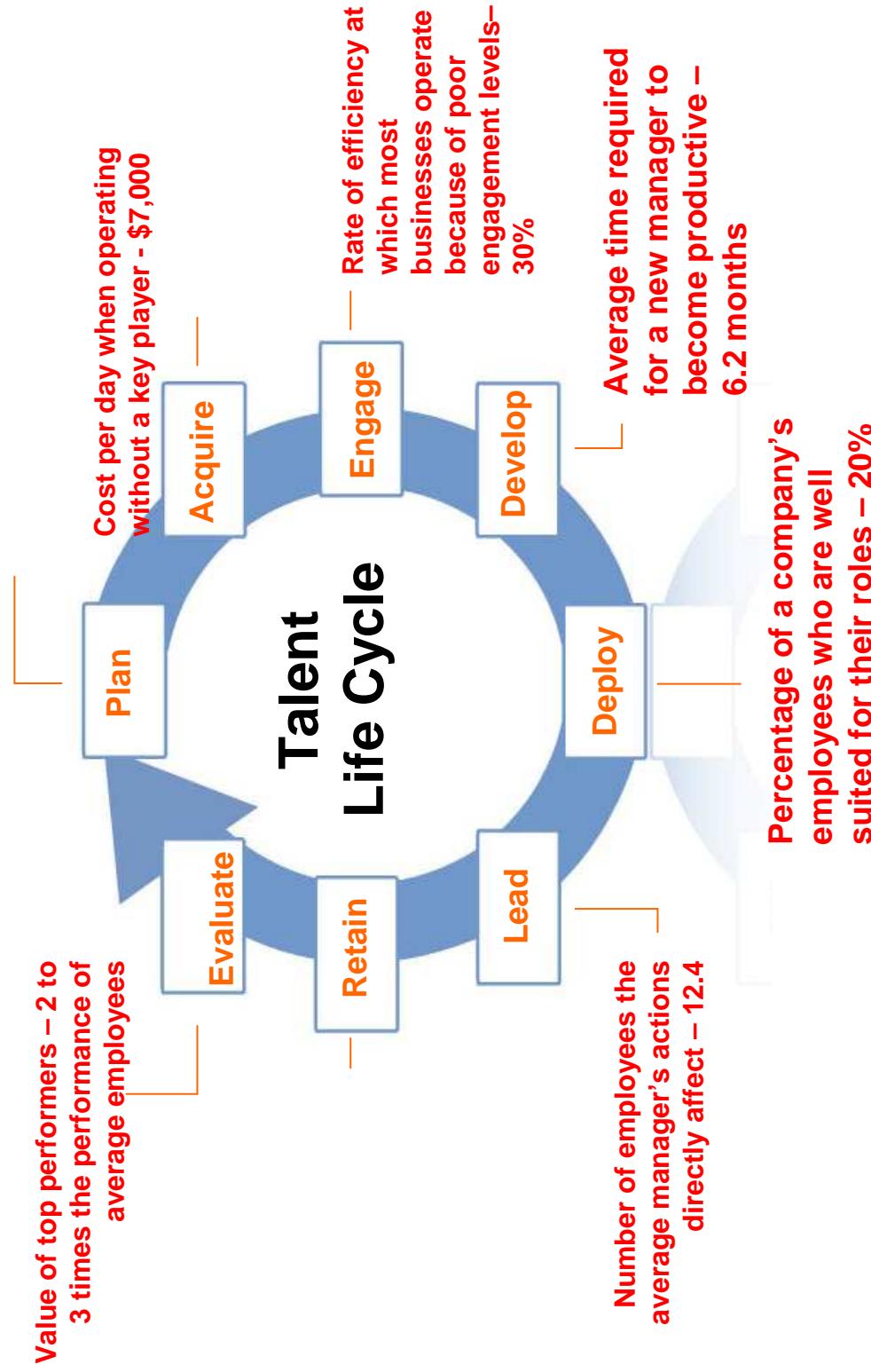
Finally, there is a lump sum, one time payment of \$750 to each employee (ostensibly for miscellaneous expenses).

I tried to advocate that every employee be given just a one-time lump sum payment of some amount to cover all the above. It is simpler but probably would not make employees "whole" but then again, employees are moving to further their careers so they need to assume some of the costs.

Before we get too far along, consider this: the average/budgeted amount of cost to the agency per employee per move is approximately \$75,000 ! Some employee relocations are considerably more!! So this is an expensive item in the budget! Of course, the "benefits" could be trimmed and in fact, some Federal agencies reimburse NOTHING even when vacancies are posted.

The Talent Life Cycle by the Numbers

Working Draft



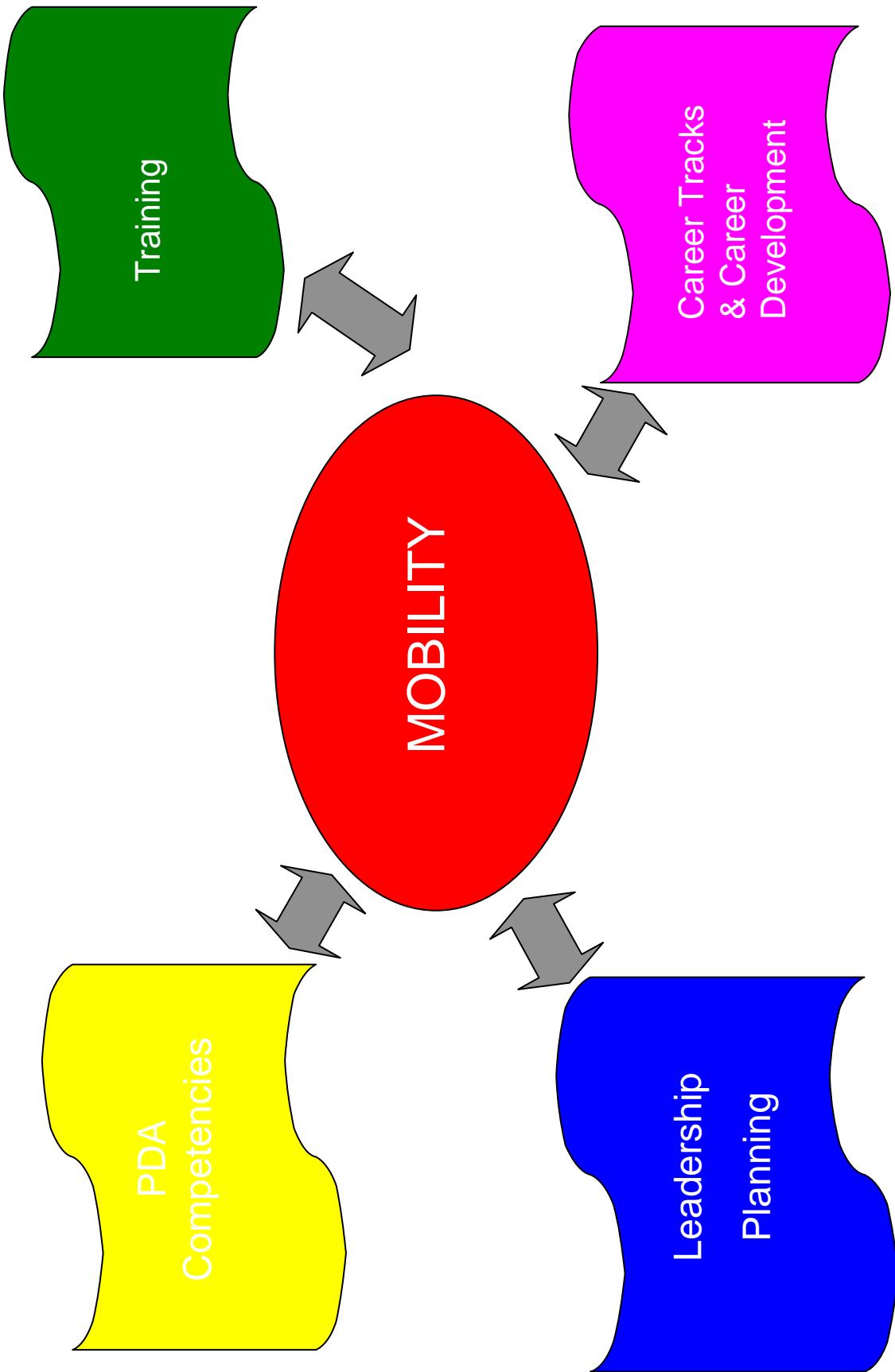
Solutions to Promote Mobility – Brainstorming

Working Draft

Description	Recommendations
Embrace Mobility within our Culture	
Define Career Tracks	
Address Monetary Issues	
Special Job Assignment	
Job Rotations	
Structure of Jobs	
Speed of Job Rotations	
Requirement to open most positions outside of silo	
Promote the importance of vertical and horizontal integration as a development opportunity	
Training	
Mentoring	
Development Opportunity outside of silo within PDA	

Working Draft

Other Talent Management Touch Points to Promote Mobility Through Development of Workforce



NCDOT POLICY ON CAREER MOBILITY
DRAFT 5 – as of October 14, 2008

Best practices in a wide variety of industries strongly suggest that individuals that have worked in more than a single functional area and in more than a single geographic area, all other things being equal, perform more capably when they advance to leadership roles than individuals who have been confined to a single functional or geographical area as they advanced in their careers. Exposure to different areas of the business and to a variety of people and challenges give the more mobile employee a distinct developmental advantage. Furthermore, encouraging mobility has the added advantage of enabling organizations to better meet their business needs because they have more effectively developed their employees and leaders.

It is therefore the policy of NCDOT to encourage the development of employees through career mobility. For purposes of this policy, career mobility is defined as broad exposure during an employee's career to a variety of assignments and experiences in functionally and geographically diverse settings. Such exposure may include both temporary, short-term experiences as well as longer-term, embedded experiences across organizational and geographic boundaries.

Career mobility may be implemented in a variety of ways, including:

- Learning and performing different roles within the work team (cross training)
- Taking on special temporary projects or assignments
- Rotating through a series of time-limited assignments in different functional or geographical areas
- Taking promotions, lateral moves, or reassignments across organizational or geographic boundaries

This policy applies to all NCDOT employees.

In instances involving promotions, lateral moves, or reassignments, NCDOT policy on recruitment and selection shall apply. Hiring managers, however, shall take care to give fair weight to the experience offered by applicants from outside the hiring unit's functional or geographical area.

In instances where mobility is being considered and the recruitment and selection policy does *not* apply (such as cross training, special assignments, and rotation), employees must have a record of performance either at the "Outstanding" or "Exceeds Expectations" level and have a stated interest in job-related development, career advancement, or career change. These actions shall have the approval and active support of both the sending and receiving supervisor and shall be monitored by the Talent Management Strategist.

In some mobility instances, it may be desirable to make adjustments in mobile employees' pay, reimburse for relocation or commuting expenses, or make special provisions for work space or work hours. These determinations shall be made case by

case with HR approval. Special care shall be taken to ensure any proposed adjustment is consistent with current practices and does not conflict with EEO goals.

In the implementation of this policy, the following roles and responsibilities shall apply:

Employees shall

- look for developmental opportunities beyond their typical organizational work scope,
- initiate mobility discussions with their supervisor or manager,
- have a high-performance track record,
- maintain a record of high performance in different assignments, and
- maximize learning and application from their mobility experiences.

Managers and supervisors shall

- consider for assignment or promotion to supervisory roles candidates who may not necessarily be experts in the work they will be supervising, (Note: In promotion situations, opportunities must be posted and managers must adhere to NCDOT recruitment and selection policy.)
- provide support and tangible developmental guidance to the new assignee,
- counter possible resistance to the new assignee within the work group due to the assignee's not being "one of us,"
- strive to develop a reputation for developing talent, whether from within or from outside their work units, and
- establish rotational and special assignment opportunities that serve business needs and offer individual development opportunities.

The NCDOT Talent Management Strategist shall

- administer career mobility requests from employees at that will grow required talent (need to determine appropriate classes of positions),
- administer career mobility programs for mission critical positions in alignment with organizational needs
- ensure that this policy is clearly communicated within NCDOT,
- monitor and report on the utilization and effectiveness of this policy at all levels within NCDOT,
- ensure that this policy is equitably applied within NCDOT, and
- assist managers in establishing and coordinating rotational and special assignment opportunities.

Human Resources shall

- oversee and approve the proper determination of pay and other adjustments (if any).